

RESOLUTION NO. 2019-213

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY APPROVING THE THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY RESOLUTION AUTHORIZING CERTAIN AMENDMENTS TO ST JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY \$14,335,000 HEALTH CARE REVENUE BONDS, TAX EXEMPT SERIES 2007 (BAYVIEW PROJECT) THE PROCEEDS OF WHICH WERE LOANED TO ST. JOHNS COUNTY WELFARE FEDERATION FOR THE PRINCIPAL PURPOSES OF REFINANCING SENIOR LIVING AND HEALTH CARE FACILITIES; APPROVING THE REISSUANCE OF THE BONDS DUE TO SUCH AMENDMENTS FOR THE PURPOSES OF COMPLIANCE WITH INTERNAL REVENUE CODE SECTION 147(F); PROVIDING FOR CERTAIN RELATED MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

SECTION 1. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) The St. Johns County Industrial Development Authority (the Authority) is a public body corporate and politic duly created and existing as a local governmental body and is authorized and empowered by Chapter 159, Parts II and III, Florida Statutes, as amended (the Act), to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing and refinancing of the acquisition, construction and equipping of projects as defined in the Act, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Authority may be able to promote health care and economic growth in St. Johns County (the County) and the State of Florida, increase opportunities for gainful employment and otherwise contribute to the welfare of the State of Florida and its inhabitants, and to finance and refinance the cost of such projects by the issuance of revenue bonds.

(B) The Authority has submitted to the County a copy of the Authority resolution adopted by the Authority on June 10, 2019 (the Authority Resolution) authorizing the execution and delivery of amendments (the Amendments) to the documents relating to the Authority's outstanding \$14,335,000 Health Care Revenue Bonds, Tax Exempt Series 2007 (Bayview Project) (the Series 2007 Bonds), the proceeds of which were loaned to St. Johns County Welfare Federation for the principal purposes of refinancing senior living and

health care facilities (the Project). A copy of the Authority Resolution is attached hereto as Exhibit A.

(C) On June 3, 2019 the Authority held a public hearing in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the Code), which was duly conducted by the Authority upon reasonable public notice, and at which hearing members of the public were afforded reasonable opportunity to be heard on all matters pertaining to the Series 2007 Bonds, the Amendments, and the Project. An Affidavit of Publication of the Notice of Hearing is attached hereto as Exhibit B.

(D) Public comment was offered at such public hearing, as summarized in the minutes thereof attached hereto as Exhibit C.

(E) The Amendments may be deemed to be a 're-issuance' of the Series 2007 Bonds for purposes of the Code, and the Authority has requested the County to approve the Amendments in order to satisfy the requirements of Section 147(f) of the Code and Section 125.01(1)(z), Florida Statutes, to the extent applicable to the Amendments.

SECTION 2. APPROVAL OF AMENDMENTS; REISSUANCE. The Board hereby approves the Authority Resolution authorizing the execution and delivery of the Amendments. To the extent the Amendments constitute a re-issuance of the Series 2007 Bonds, the Board hereby approves the re-issuance of the Series 2007 Bonds for the purposes of compliance with Section 147(f) of the Code and Section 125.01(1)(z), Florida Statutes. The approvals given herein shall be contingent upon authorization by the District Court for the Fourth Judicial District of Minnesota for the sale of the Buckingham Smith facility and amendment of the Loan Agreement and Trust Indenture in the Trust Indenture Proceeding, Case No. 27-TR-CV-19-23.

SECTION 3. NO ENDORSEMENT BY COUNTY. The approvals given herein shall not be construed as (A) an endorsement of the creditworthiness of the Borrower or the financial viability of the Project, (B) a recommendation to any holder or prospective purchaser to hold or purchase the Series 2007 Bonds, (C) an evaluation of the likelihood of the repayment of the debt service on the Series 2007 Bonds, or (D) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Project, and the Board shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding or recommendation or to have waived any right of the Board or estopping the Board from asserting any rights or responsibilities it may have in such regard. Further, the approval by the Board of the Amendments and the re-issuance of the Series 2007 Bonds by the Authority shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with the Series 2007 Bonds or the Project, and the Amendments shall so provide.

SECTION 4. CORRECTION OF ERRORS. To the extent that there are typographical and/or administrative errors that do not change the tone, tenor, or concept

of this Resolution, then this Resolution may be revised without subsequent approval by the Board of County Commissioners.

SECTION 5 REPEALING CLAUSE. All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED, this 16th day of July, 2019.

**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

By: 
Jeb S. Smith, Vice Chairman

Attest: Hunter S. Conrad, Clerk of Court

RENDITION DATE 7/18/19

By: 
Deputy Clerk



EXHIBIT A
AUTHORITY RESOLUTION

EXHIBIT B
AFFIDAVIT OF
PUBLICATION

EXHIBIT C
HEARING MINUTES

Resolution No. 2019-01

RESOLUTION AUTHORIZING CERTAIN AMENDMENTS TO ST JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY \$14,335,000 HEALTH CARE REVENUE BONDS, TAX EXEMPT SERIES 2007 (BAYVIEW PROJECT) (2019) AND IN PARTICULAR AUTHORIZATION FOR THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED TRUST INDENTURE, TO BE DATED AS OF JULY 1, 2019, NOW BETWEEN THE ISSUER AND UMB BANK, N.A., AS THE SUCCESSOR TRUSTEE (THE "TRUSTEE"), PURSUANT TO A TRUST INDENTURE, DATED AS OF FEBRUARY 1, 2007, WHICH PROVIDED FOR THE LOAN OF THE PROCEEDS OF THE BONDS TO ST. JOHNS COUNTY WELFARE FEDERATION ("THE CORPORATION") PURSUANT TO A LOAN AGREEMENT DATED AS OF FEBRUARY 1, 2007, BETWEEN ISSUER AND THE CORPORATION (THE LOAN AGREEMENT); AND APPROVING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED LOAN AGREEMENT TO BE DATED AS OF JULY 1, 2019 FOR SUCH BONDS AND AUTHORIZING OTHER INSTRUMENTS WITH RESPECT TO THE BONDS; TAKING CERTAIN OTHER ACTIONS WITH RESPECT TO THE BONDS (COLLECTIVELY "THE AMENDMENT DOCUMENTS"); AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, as follows:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution, hereinafter called this "instrument," is adopted pursuant to the provisions of Chapter 159, Part III, Florida Statutes, as amended, and other applicable provisions of law (the "Act").

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms used in this instrument and not defined herein shall have the meanings specified in the Amended and Restated Trust Indenture, by and among the St. Johns County Industrial Development Authority (the "Issuer"), the St. Johns County Welfare Federation (the "Corporation"), a Florida not-for-profit corporation described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and UMB Bank, N.A. as Successor Trustee or any other financial institution (the "Bank"), attached hereto as Exhibit "A."

SECTION 3. FINDINGS. It is hereby found, ascertained, determined and, declared as follows:

A. The Issuer is authorized by the Act to make and execute the Amendment Documents, and any other contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing, refinancing and reimbursing of the acquisition, construction, improvement and equipping of projects as defined in the Act, including machinery, equipment,

land, rights in land and other appurtenances and facilities related thereto, to the end that the Issuer will be able to promote the economic growth of the State of Florida, increase opportunities for gainful employment, promote the advancement of tourism and the economic development of the State of Florida, and otherwise contribute to the general welfare of the State of Florida and its inhabitants, and to finance, refinance and reimburse the cost of such projects by the issuance of revenue bonds.

B. The Corporation has requested the Issuer to authorize the execution and delivery of an amended and restated trust indenture, to be dated as of July 1, 2019, between the Issuer and UMB Bank, N.A., as the successor trustee (the "Trustee"), pursuant to a Trust Indenture, dated as of February 1, 2007, which provided for the loan of the proceeds of the Bonds to St. Johns County Welfare Federation (the "Corporation") pursuant to a Loan Agreement dated as of February 1, 2007, between Issuer and the Corporation (the "Loan Agreement"), and an amended and restated loan agreement, to be dated as of July 1, 2019 between the Issuer and the Corporation (the "Amendment Documents").

C. The continuation of the financing provided by the issuance of the Bonds, as provided in the Amendment Documents is authorized by the Act and is appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of St. Johns County, Florida (the "County"), shall provide or preserve gainful employment, shall serve a public purpose by improving the economic growth of the County, and by advancing the economic prosperity and the general welfare of the State of Florida and its people as stated in the Act.

D. The Issuer is a "local agency" within the meaning of Section 159.27(4), Florida Statutes. The costs to be paid from the proceeds of the Bonds shall be costs of a project within the meaning of the Act. The Project constitutes a tourism facility within the meaning of the Act.

E. Sections 159.41, 159.46, 159.47(1)(i) and 159.53, Florida Statutes, encourage and authorize the Issuer to issue the Bonds and to expend the proceeds thereof in the manner described in the Amendment Documents.

F. The Borrower is a Florida not-for-profit corporation described in Section 501(c)(3) of the Code, and the continuation of the financing provided by the issuance of the Bonds in the manner set forth in the Amendment Documents serve a paramount public purpose and any private benefit that might accrue therefrom is only incidental to the paramount public purposes of improving tourism in the County and the State of Florida which is served by the issuance of the Bonds and the expenditure of the proceeds thereof in the manner provided in the Amendment Documents.

G. Subject to Approval by the Trustee, formation in conjunction with Flagler Health + of a collaborative post-acute program known as the "Rapid Recovery Program", and sale of certain real estate more fully described in the Amendment Documents, and giving due regard to the Borrower's financial statements and the ratio of the Borrower's current assets to its current liabilities, net worth, earning trends, coverage of all fixed charges, the nature of its business and the industry in which it is involved, its inherent stability, and all other factors determinative of the Borrower's capabilities, financial and otherwise, of fulfilling its obligations consistent with the

purposes of the Act, the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Amendment Documents, including its obligation to make payments thereunder in the amounts and at the times required pursuant to the terms of the Amendment Documents and its obligation to operate, repair and maintain the Project at its own expense, and the Borrower is willing and capable of serving the purposes of the Act and of fully performing all other obligations and responsibilities imposed upon it pursuant to the provisions of the Amendment Documents.

H. Adequate provision is made under the provisions of the Amendment Documents for the operation, repair and maintenance of the Project at the expense of the Borrower, and for the payment of the principal of and redemption premium, if any, and interest on the Bonds.

I. The principal of and redemption premium, if any, and interest on the Bonds and all payments of the Issuer required under the Amendment Documents shall be payable by the Issuer solely from amounts received by the Issuer under the Amendment Documents from the Borrower or from others on its behalf and the loan repayments required to be made by the Borrower in connection with its use and operation of the Project, and the Issuer shall never be required to: (i) levy ad valorem taxes on any property within its territorial limits (the Issuer has no taxing power) to pay the principal of and redemption premium, if any, and interest on the Bonds or to make any other payments provided for under the Amendment Documents; (ii) pay the same from any funds of the Issuer other than those derived by the Issuer under the Amendment Documents; or (iii) require or enforce any payment or performance by the Borrower as provided by the Amendment Documents unless the Issuer's expenses in respect thereof shall be paid from moneys derived under the Amendment Documents or shall be advanced to the Issuer for such purpose, and the Issuer shall receive indemnity to its satisfaction. The Bonds shall not constitute a lien upon any property owned by or situated within the territorial limits of the Issuer. Neither the faith and credit of the Issuer or of the County nor the taxing power of the County or of the State of Florida or any political subdivision thereof shall be pledged to the payment of the Bonds.

J. The loan repayments to be made by the Borrower to the Issuer under the Amendment Documents will be sufficient to pay all principal of and redemption premium, if any, and interest on the Bonds, as the same shall become due, and to make all other payments required by the Amendment Documents.

K. On June 3, 2019, the Issuer conducted a public hearing with respect to the issuance of the Bonds, in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and as no adverse comments were expressed at such hearing, the Issuer desires to approve and authorize the Amendment Documents.

L. The Board of County Commissioners of the County on _____ adopted its Resolution No. 2019-___ approving the delivery of the amended Bonds pursuant to the Amendment Documents.

M. Prior to the execution and delivery of the Amendment Documents, the Issuer will receive the opinion of Akerman LLP,, bond counsel, to the effect that the execution and delivery of the Amendment Documents will not, in and of itself, adversely affect the exclusion of interests

on the Bonds from federal income taxation and will not constitute a "significant modification" of a debt instrument within the meaning of 29 CFR Section 1.1001-3

SECTION 4. AMENDMENTS AUTHORIZED. The amendment of the documents related to the Bonds in the manner provided Amendment Documents is hereby authorized.

SECTION 5. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE AMENDMENT DOCUMENTS. The Amendment Documents, in substantially the form attached hereto as Exhibit "A," with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman of the Issuer, such approval to be presumed and evidenced by his execution thereof, are hereby approved by the Issuer; and the Issuer hereby authorizes and directs said Chairman or Vice Chairman to execute and the Secretary or Assistant Secretary or any other member of the board of the Issuer to attest under the seal of the Issuer and to deliver to the Borrower and the Trustee, the Amendment Documents, the provisions of which, when executed and delivered by the Issuer as authorized herein and by the Borrower and the Trustee each duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

SECTION 6. NO PERSONAL LIABILITY. No covenant, stipulation, obligation or agreement herein contained or contained in the Amendment Documents or the other documents that are executed by the Issuer in connection with the issuance of the Bonds shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Issuer or its governing body in his individual capacity; and neither the members of the Issuer nor any official executing the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 7. NO THIRD PARTY BENEFICIARIES. Except as herein or in the Amendment Documents otherwise expressly provided, nothing in this instrument or in the Amendment Documents, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the Issuer, the Borrower and the holders of the Bonds any right, remedy or claim, legal or equitable, under and by reason of this instrument or any provision thereof or of the Amendment Documents, this instrument and the Amendment Documents intended to be and being for the sole and exclusive benefit of the Issuer, the Borrower and the holders from time to time of the Bonds.

SECTION 8. CHAIRMAN'S DESIGNATION OF SIGNATORY. The Chairman of the Issuer is hereby authorized to designate by written certificate one or more authorized signatories to execute any and all instruments, documents and certificates in his place. Such signature shall have the effect of the Chairman's signature as authorized in this instrument.

SECTION 9. GENERAL AUTHORITY. The members of the Issuer and officers, attorneys, accountants, engineers or other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this instrument, the Amendment Documents, or desirable or consistent with the requirements hereof or such Amendment Documents for the full punctual and complete performance of all the terms, covenants and agreements contained in the Bonds, the Amendment Documents and this instrument.

SECTION 10. THIS INSTRUMENT CONSTITUTES A CONTRACT. The Issuer covenants and agrees that this instrument shall constitute a contract between the Issuer and the holders from time to time of any of the Bonds then outstanding and that all covenants and agreements set forth herein and in the Amendment Documents to be performed by the Issuer shall be for the equal and ratable benefit and security of all holders of the Bonds without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds, except as provided in the Amendment Documents.

SECTION 11. EXECUTION OF BONDS AND AUTHORIZATION OF ALL OTHER NECESSARY ACTION. The proper officers of the Issuer are hereby authorized and directed to execute the amended Bonds when prepared, by manual or facsimile signature, and to deliver the same to the Trustee for authentication and delivery to the holders pursuant to the conditions stated in the Amendment Documents and this instrument. Such officers, counsel to the Issuer, and Akerman LLP., bond counsel, are designated agents of the Issuer in connection with the issuance and delivery of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents or contracts on behalf of the Issuer which are necessary or desirable in connection with the execution and delivery of the Bonds and which are not inconsistent with the terms and provisions of this instrument.

SECTION 12. REPEALING CLAUSE. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 13. COMPLIANCE WITH CHAPTER 218, PART III, FLORIDA STATUTES. The Issuer hereby approves and authorizes the completion, execution and filing with the Division of Bond Finance, Department of General Services of the State of Florida, at the expense of the Borrower, of advance notice sale, , Bond Information Form BF 2003 and of a copy of Internal Revenue Service Form 8038, and any other acts as may be necessary to comply with Chapter 218, Part III, Florida Statutes, as amended.

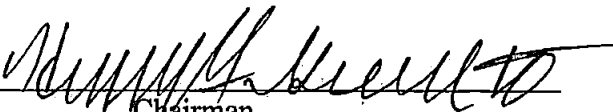
SECTION 14. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

SECTION 15. EFFECTIVE DATE. This instrument shall take effect immediately upon its adoption.

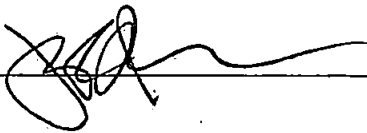
ADOPTED: This 10 th day of June, 2019.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)

By: 
Chairman

Attest:

By: 

THE ST. AUGUSTINE RECORD
Affidavit of Publication

SJC INDUSTRIAL DEVELOPMENT AUTHORITY
500 SAN SEBASTIAN VIEW

SAINT AUGUSTINE, FL 32084

ACCT: 39852
AD# 0003132092-01
PO#

PUBLISHED EVERY MORNING SUNDAY THROUGH SATURDAY
ST. AUGUSTINE AND ST. JOHNS COUNTY, FLORIDA

STATE OF FLORIDA
COUNTY OF ST. JOHNS

Before the undersigned authority personally appeared JAMIE WILLIAMS who on oath says he/she is an Employee of the St. Augustine Record, a daily newspaper published at St. Augustine in St. Johns County, Florida; that the attached copy of advertisement being a **NOTICE OF MEETING** in the matter of **IDA MEETING 1/14/19** was published in said newspaper on **01/10/2019**.

Affiant further says that the St. Augustine Record is a newspaper published at St. Augustine, in St. Johns County, Florida, and that the said newspaper heretofore has been continuously published in said St. Johns County, Florida each day and has been entered as second class mail matter at the post office in the City of St. Augustine, in said St. Johns County, Florida for a period of one year preceding the first publication of the attached copy of advertisement; and affiant further says the he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission, or refund for the purpose of securing this advertisement for publication in said newspaper.

**NOTICE OF PUBLIC MEETING OF
THE ST. JOHNS COUNTY
INDUSTRIAL DEVELOPMENT
AUTHORITY**

NOTICE is hereby given that the regular meeting of the St. Johns County Industrial Development Authority scheduled for January 14, 2019 at 3:00 p.m. has been relocated to 115 Whetstone Place, St. Augustine, Florida 32086 for the purpose of taking any action that may properly come before the Authority at a regular meeting. A copy of the Agenda may be obtained from Melissa S. Glasgow, Director of Economic Development, Office of the County Administrator, St. Johns County Board of County Commissioners, 500 San Sebastian View, St. Augustine, FL 32084, Phone: (904) 209-0552, email: mglasg@sjcfll.us during regular business hours.

It is anticipated that one or more St. Johns County Commissioners may attend and participate in the meetings.

If a person decides to appeal any decision made with respect to any matter considered at the meeting, such person will need a record of the proceedings, and for such purposes such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based.

Notice to persons needing special accommodations and to all hearing impaired persons: In accordance with the American with Disability Act, persons needing a special accommodation or an interpreter to participate in this meeting should contact the ADA Coordinator at (904) 823-2505 or Telecommunications Device for the Deaf (TDD): 823-2501 or the Florida Relay Service: 1-800-955-8770, no later than 5 days prior to the date of this meeting.

Dated: Jan 7, 2019

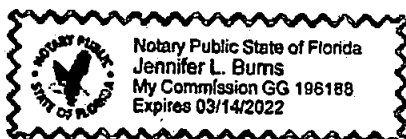
ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

/s/ Geoffrey B. Dobson
Geoffrey B. Dobson
Attorney for the Authority
0003132092 January 10, 2019

Sworn to and subscribed before me this ____ day of **JAN 10 2019**

by Jamie Williams who is personally known to me
or who has produced as identification

Jennifer L. Burns
(Signature of Notary Public)



Thu, Jan 10, 2019
8:01:13AM

Legal Ad Invoice

The St. Augustine Record

Send Payments to:
The St. Augusting Record Dept 1261
PO Box 121261
Dallas, TX 75312-1261

Acct: 39852
Phone: 9042090552
E-Mail:

Name: SJC INDUSTRIAL DEVELOPMENT AUTHORITY
Address: 500 SAN SEBASTIAN VIEW

Client: SJC INDUSTRIAL DEVELOPMENT A City: SAINT AUGUSTINE State: FL Zip: 32084

Ad Number: 0003132092-01

Start: 01/10/2019

Placement: SA Legals

Copy Line: NOTICE OF PUBLIC MEETING OF THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY NOTICE is he

Caller: GEOFFREY DOBSON

Issues: 1

Rep: Melissa Rhinehart

Paytype: BILL

Stop: 01/10/2019

Lines 62
Depth 5.25
Columns 1

Price \$94.24

**NOTICE OF PUBLIC MEETING OF
THE ST. JOHNS COUNTY
INDUSTRIAL DEVELOPMENT
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Dated: Jan 7, 2019

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

/s/ Geoffrey B. Dobson
Geoffrey B. Dobson
Attorney for the Authority
0003132092 January 10, 2019

AGENDA
ST. JOHNS COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY

June 3, 2019
2:00 p.m.

Executive Board Conference Room
County Commission Office of the Administration Building
500 San Sebastian View, St. Augustine, FL 32084

****Special Meeting****
TEFRA Hearing

Roll Call

Public Comment:

Each person addressing the Board shall state their name and address for the public record and limit comments to three (3) minutes.
Public comment will also be provided for each item containing a proposition (other than ministerial acts) before the Board.

Additions and/or deletions to agenda

Regular Business:

- **Hearing on Amendments** concerning proposed amendments to the Authority's \$14,335,000 St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project).
- **Consideration of a Resolution authorizing amendments** to concerning proposed amendments to the Authority's \$14,335,000 St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project).

Reports:

- IDA Members

Adjournment:

Next Regular Meeting Date: August 12, 2019

TO: The St. Augustine Record
PUBLISH: Once: May 31 or June 30, 2019 Legal Ad
PROOFS: One (1), to:
BILL: Geoffrey B. Dobson,
16 Palmetto Ave.
St. Augustine, Florida 32080

**NOTICE OF PUBLIC MEETING OF THE ST. JOHNS
COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**

NOTICE is hereby given that a meeting of the St. Johns County Industrial Development Authority has been scheduled for **June 3, 2019 at 2:00 p.m.** in the Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084, Executive Board Conference Room, North of the City Limits of St. Augustine, Florida, for the purpose of taking action with regard to the following items:

1. **Business Items:**
 - a. **Hearing on Amendments** concerning proposed amendments to the Authority's \$14,335,000 St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project).
 - b. **Consideration of a Resolution** authorizing amendments to concerning proposed amendments to the Authority's \$14,335,000 St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project).

and taking any other action upon any other matters that may properly come before the Authority.

It is anticipated that one or more St. Johns County Commissioners may attend and participate in the meetings.

If a person decides to appeal any decision made with respect to any matter considered at the meeting, such person will need a record of the proceedings, and for such purposes such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based.

Notice to persons needing special accommodations and to all hearing impaired persons: In accordance with the American with Disability Act, persons needing a special accommodation or an interpreter to participate in this meeting should contact the ADA Coordinator at (904) 823-2505 or Telecommunications Device for the Deaf (TDD): 823-2501 or the Florida Relay Service: 1-800-955-8770, no later than 5 days prior to the date of this meeting.

Dated: May 27, 2019

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

BY:



Geoffrey B. Dobson, Attorney
Attorney for the Authority



OFFICERS AND DIRECTORS:

*Mark F. Bailey, Sr., President • Joseph Boles, Esq., Vice President
Dr. William T. Abare, Secretary/Treasurer • Jerod Meeks, Director
Otis Mason, Director • Joe Gordy, Director • Jason Barrett, Director
Todd Batenhorst, MD, Director • John Prioleau, MD, Director
Nangela Pulsfus, RN, Director*

Dr. Larry B. Lake, CEO • 161 Marine Street, St. Augustine, Florida 32084 • LLake@Bay-View.org • Cell: 904.806.5825

May 29, 2019

Mr. Henry F. Green III, Chairman
St. Johns County Industrial Development Authority
Sent Via Electronic Mail to mglasgow@sjcfl.us; emhagler@sjcfl.us;
Henry@whocpa.com; cuna66@aol.com
St. Augustine, Florida

Re: Request to Approve (i) the release the mortgage on the property located at 169 Martin Luther King Avenue, St. Augustine, Florida and (ii) the Bond Trustee's requested amendments to the Trust Indenture and associated loan documents governing the use and disposition of the net sale proceeds.

Dear Chairman Green:

Thank you for allowing us time on the IDA Agenda. The Majority Bondholders, who own 79.5% of the bonds, the Bond Trustee and the leadership of BayView Healthcare are requesting the above captioned approvals from the St. Johns County IDA in order to strengthen the financial performance of BayView Healthcare.

In this communication, I have endeavored to follow the Application Instructions provided by Melissa Glasgow. We are happy to provide additional information if you need us to do so.

BayView Healthcare is a d/b/a of the St. Johns County Welfare Federation, a Florida Not-for-Profit healthcare and charitable assistance organization founded in 1920. In 1997 BayView was able to build modern healthcare facilities with the proceeds from a St. Johns County IDA Healthcare Revenue Bond Issue. In 2007, the IDA issued Healthcare

*Thank You for Supporting the Quality Programs of BayView Healthcare:
Five-Star Rated Samantha R. Wilson Care Center — BayView Outpatient Rehabilitation
The Pavilion LNS Assisted Living - Partnership with Flagler Home Care*



Revenue Refunding Bonds for a refinancing of the BayView Project, and the property located at 169 Martin Luther King Avenue, St. Augustine, Florida was included in the mortgage security. No bond issue proceeds were used for any purpose at that location.

It should be noted that the St. Johns County Board of County Commissioners has provided financial support to our organization for many decades. We very much appreciate how the County is a vital partner in fulfilling our mission and purpose. Our gratitude was heightened last year when the Board of County Commissioners provided a \$394,000 one-time extraordinary grant to continue assisted living services to the indigent. This support allowed us to transition our subsidized assisted living residents to one campus and to effect cost-savings and more efficient economies of scale.

During the BCC meeting when the extraordinary grant was approved, I was asked by the Commissioners what we planned to do with the property, and I let them know that our Board intended to sell the property to provide working capital to help strengthen our programs and services. We are fortunate enough to have found a buyer for the Buckingham Smith property at an acceptable price. To accomplish the sale, however, we need to obtain a release of the mortgage on the Buckingham Smith facility. The Bond Trustee, acting at the direction of the Majority Bondholders, is willing to release the subject property from the lien of the mortgage on the condition that a portion of the net proceeds be set aside in a newly established "Working Capital" reserve account and that the borrower, Bayview, maintain its accounts payable below \$1.4 million. Both requests require modification of the existing Trust Indenture and Loan Agreement, Mortgage and Security Agreement to document same. The Bond Trustee has also requested several other minor modifications to the bond and security documents to ease its administrative burden and to modernize the electronic reporting requirements under the indenture. Those changes are reflected in the redline documents previously provided.

Modification of the Trust Indenture and associated loan documents appears to be a two-step process: First, the IDA must approve the release of the mortgage and the requested modifications to the bond documents. Once that approval is obtained, the Bond Trustee will then use that approval to obtain court permission to do the same in a Trustee Instruction Proceeding ("TIP") already initiated in Minnesota. Importantly, we are not requesting any additional borrowing or extensions of credit by these requests, nor are we requesting changes to any of the payment terms under the existing trust indenture. And while we do not believe our requests require a Chapter 159 feasibility finding by the IDA, we have provided you with the necessary financial documents and projections to make the determination that the requested modifications will be both accretive and beneficial to all parties involved without impairing the rights of the existing bondholders.

BayView Healthcare provides essential services to our community's system of care. Our 200 plus employees are dedicated to compassionate care to the most-frail, medically complex and indigent citizens of St. Johns. We work very closely with Flagler Hospital, physicians throughout our community to improve health care outcomes, provide health care access and help manage efficiently the health care resources in our community. While we are not asking any issuance of bond, the IDA's approval will ensure that we will continue to be a valuable asset in St. Johns County for many years. The TIP has been re-scheduled for July 17, 2019, and we urgently need your help

The Majority Bondholders, Bond Trustee and BayView are all in agreement, after much analysis, that the requested action will be of benefit to all concerned parties. We, therefore, respectfully request your concurrence and approval.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Dr. Lake", followed by a horizontal line.

Dr. Larry B. Lake
Executive Director/CEO



RECEIVED

July 3, 2019

Mr. Mike Wanchick, County Administrator
500 San Sebastian View
St. Augustine, Florida 32084

JUL 5 2019

Office of the
County Administrator

Dear Mr. Wanchick:

I hope this communication finds you well.

I am writing in support of Resolution 2019-01 of the St. Johns County Industrial Development Authority, unanimously approved on June 10, 2019. It is my understanding that this item will be placed on the July 16, 2019 Meeting Agenda of the St. Johns County Board of Commissioners for consideration.

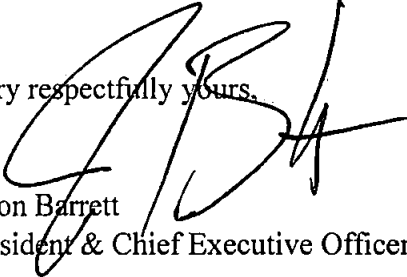
Resolution 2019-01 supports the plans of the St. Johns County Welfare Federation d/b/a BayView to sell the property located at 169 Martin Luther King Avenue, St. Augustine, Florida. This property formerly housed the Buckingham Smith Subsidized Assisted Living Program. Now that all of the residents have moved to the main BayView campus on Marine Street, the Board of Directors, on which I have served since 2017, believes sale of the property is in the best interest of the subsidized assisted living program, the financial health of the organization, and our continued service to the citizens of St. Johns County. The sale of the property and release of the mortgage lien on the property are supported by the Majority Bondholders (who represent 79.5% of the bondholders), and the Bond Trustee.

BayView Healthcare is a vital partner with Flagler Health+ and a key post-acute provider of healthcare services in St. Johns County. On May 31, 2019, we signed a Letter of Intent with BayView Healthcare to implement our Post-Acute Rapid Recovery Program, which will facilitate more efficient Medicare utilizations and continuous improvement of quality outcomes throughout our system of care in the community. BayView Healthcare is the only not-for-profit in-patient skilled nursing provider in St. Augustine and has provided high quality healthcare services for almost 100 years. Flagler Hospital has provided healthcare in St. Johns County for more than 130 years.



Thank you for your consideration of this important matter. We recommend your support and approval of IDA Resolution 2019-01. Please do not hesitate to contact me if you have any questions.

Very respectfully yours,


Jason Barrett
President & Chief Executive Officer

cc: Michael Wanchick, County Administrator
Patrick McCormack, County Attorney

This Instrument was prepared by, ~~Florida~~ and shall be returned to:
~~Livermore, Freeman & McWilliams~~
~~Hopping Green & Sams, P.A.~~
~~320 North First~~ 119 South Monroe Street, Suite ~~603-300~~
~~Jacksonville Beach~~ Tallahassee, Florida ~~32250~~ 32301

This Instrument is exempt from documentary stamp tax and Florida intangible tax pursuant to
Section 159.31, Florida Statutes

**AMENDED AND RESTATED LOAN AGREEMENT,
MORTGAGE AND SECURITY AGREEMENT**

between

**ST. UMB BANK, N.A., AS SUCCESSOR TRUSTEE UNDER THAT CERTAIN TRUST
INDENTURE DATED AS OF FEBRUARY 1, 2007**
JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

ST. JOHNS COUNTY WELFARE FEDERATION

Originally Dated as of February 1, 2007
Amended and Restated as of 2019

St. Johns County Industrial Development Authority
\$14,335,000 Health Care Revenue Refunding Bonds,
Tax Exempt Series 2007A
(Bayview Project)

\$170,000 Health Care Revenue Refunding Bonds,
Taxable Series 2007B
(Bayview Project)

**THIS INSTRUMENT IS, IN PART, A FINANCING STATEMENT FILED AS A FIXTURE
FILING PURSUANT TO SECTION 679.5021, FLORIDA STATUTES. THIS INSTRUMENT
CONVEYS A SECURITY INTEREST IN GOODS WHICH ARE OR ARE TO BECOME
FIXTURES.**

**ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
\$14,335,000 HEALTH CARE REVENUE REFUNDING BONDS,
TAX EXEMPT SERIES 2007A
(BAYVIEW PROJECT)**

**\$170,000 HEALTH CARE REVENUE REFUNDING BONDS,
TAXABLE SERIES 2007B
(BAYVIEW PROJECT)**

LOAN AGREEMENT

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**AMENDED AND RESTATED LOAN AGREEMENT,
MORTGAGE AND SECURITY AGREEMENT**

~~THIS LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT~~, dated February 1, 2007, by and between the ~~ST.~~**THIS AMENDED AND RESTATED LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT**, dated 1, 2019, by and between **UMB BANK, N.A.**, as Successor Trustee (the "*Trustee*") under that certain Trust Indenture dated as of February 1, 2007 relating to the St. Johns County Industrial Development Authority \$14,335,000 Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project) and the St. Johns County Industrial Development Authority \$170,000 Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project), successor in interest to the **ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** (the "*Issuer*"), a public body politic and corporate organized and existing under the laws of the State of Florida, and **ST. JOHNS COUNTY WELFARE FEDERATION** (the "*Corporation*"), a Florida not-for-profit corporation.

W I T N E S S E T H:

WHEREAS, the Issuer is authorized under Chapter 159, Parts II, III and VII, Chapter 154, Part III, Florida Statutes, and other applicable provisions of law, to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing or refinancing of certain projects, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Issuer will be able to promote the health care and economic development of the State of Florida, increase opportunities for gainful employment and otherwise aid in improving the prosperity and welfare of the State (defined below) and its inhabitants, and to provide such financing or refinancing through the issuance of revenue bonds; and

WHEREAS, the Issuer ~~proposes to issue~~**issued** its \$14,335,000 Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project) and its \$170,000 Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project) (together, the "*2007 Bonds*") the proceeds of the sale of which ~~will be~~**were** loaned to ~~St. Johns County Welfare Federation, a Florida not for profit corporation authorized to do business in the State of Florida (the "Corporation")~~ to refund its ~~Refunded 1997~~ Bonds (defined below) and to pay the Costs of the construction and acquisition of interior renovation to the Facilities (defined below) and a new exterior exercise and nature walkway at the Facilities and to provide working capital needed for operations pending collection of the Corporation's accounts receivable and capitalizing interest on the 2007 Bonds; and

WHEREAS, the 2007 Bonds ~~are~~**were** issued under and secured by a *Trust Indenture* dated as of February 1, 2007 (the "*Indenture*" as hereinafter defined), by and between the Issuer and The Bank of New York Trust Company, N.A., Jacksonville, Florida, ~~as Trustee (the "Trustee"), prior trustee,~~ whereby the Issuer ~~and the Trustee have~~ agreed that the Trustee shall receive the proceeds from the sale of the 2007 Bonds, net of certain Investment Banker fees and expenses, and disburse the same for the benefit of the Corporation as provided in the Indenture; and

WHEREAS, to memorialize the terms and conditions upon which the Corporation is obligated to repay the Loan, as hereinafter defined, Corporation and Issuer entered into that certain Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 and which was recorded in Official Records Book 2870, Page 1793 of the public records of St. Johns County, Florida (the "Original Loan Agreement");

WHEREAS, subject to the Reserved Rights, as defined herein, Issuer has assigned all of its right, title, and interest in the Original Loan Agreement;

WHEREAS, Trustee is the present owner and holder of the Original Loan Agreement, subject to the Reserved Rights, by virtue of that certain Assignment of Loan Agreement, Mortgage and Security Agreement and Other Loan Documents dated as of April 4, 2016 and recorded in Official Records Book 4222, Page 1404 of the public records of St. Johns County, Florida;

WHEREAS, under and pursuant to the Indenture, the Issuer has also assigned to Trustee, as security for the payment of the principal of and premium, if any, and interest on the 2007 Bonds and the fees, expenses and advances of the Trustee, and any other sums payable by the Corporation pursuant to ~~this~~the Original Loan Agreement, all of the Issuer's right, title and interest in and to the Trust Estate as hereinafter defined, including ~~this~~the Original Loan Agreement as amended and restated by this Amended Loan Agreement (as defined herein) and all amounts payable by the Corporation hereunder, ~~except certain~~subject however to the aforementioned Reserved Rights, as hereinafter defined; and

WHEREAS, in anticipation of the sale of Buckingham Smith, the Trustee and Corporation, with the joinder and consent of the Issuer, have individually and collectively determined that it is in their individual and collective best interests to amend and restate the Original Loan Agreement as set forth herein as permitted by the provisions of Section 9.08 of the Original Loan Agreement.

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE to amend and restate in its entirety, the terms and conditions of the Original Loan Agreement and, from and after the date hereof, do further AGREE to all provisions contained in this Amended Loan Agreement.

*Terms used as defined terms in these Preambles shall, unless specifically otherwise provided, have the meanings ascribed thereto in Section 1.01 hereof.

ARTICLE I DEFINITIONS

Section 1.01 Definitions. The terms and phrases defined in this Article shall for all purposes of this Amended Loan Agreement have the meanings herein specified unless the context clearly otherwise requires:

"1997 Bonds" shall mean, collectively, the 1997A Bonds and the ~~2007B Bonds.~~ 1997B Bonds. ~~"1997A Bonds" shall mean the St. Johns County Industrial Development~~

"1997A Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Bonds, Tax Exempt Series 1997A (Bayview Project), dated March 1, 1997, issued in the original principal amount of \$11,570,000.

"1997B Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Bonds, Taxable Series ~~2007B~~1997B (Bayview Project), dated ~~February~~March 1, ~~2007~~1997, issued in the original principal amount of \$1,835,000.

"2007 Bonds" shall mean, collectively, the 2007A Bonds and the 2007B Bonds. ~~"2007 Bonds Expense Account" shall mean the account established pursuant to Section 3.04 hereof.~~

"2007A Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project), issued hereunder.

"2007B Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project), issued hereunder.

"Act" shall mean Chapter 159, Parts II, III and VII, and Chapter 154, Part III, Florida Statutes and other applicable provisions of law.

"Accountant" shall mean a firm of independent certified public accountants, which may be the external auditing firm of the Corporation, not unsatisfactory to the Trustee or a Majority of Bondholders.

"Additional Bonds" shall mean any Additional Bonds issued under and pursuant to the provisions of Section 3.02 hereof.

"Agency Obligations" shall mean bonds, debentures, notes or other evidences of indebtedness issued by Federal Home Loan Bank System; Federal Home Loan Mortgage Corporation (including participation certificates); Federal National Mortgage Association; Resolution Funding Corporation; or Federal Farm Credit System;

"Amended Loan Agreement" shall mean this *Amended and Restated Loan Agreement, Mortgage and Security Agreement* dated as of April 1, 2019 between the Trustee and the Corporation and all modifications, amendments and supplements thereto.

"Architect" shall mean an independent architect or engineer or firm of architects or engineers which is appointed by the Corporation for the purpose of passing on questions relating to the design and construction of the Facilities, has all licenses and certifications necessary for the performance of such services, has a favorable reputation for skill and experience in performing similar services in respect of facilities of a comparable size and nature, and is not unsatisfactory to the Trustee.

"Assignment of Management Contract" means that certain Assignment of Management Contract dated as of February 1, 2007 by the Corporation to the Trustee assigning the Management Contract and all renewals or extensions thereof, and all future contracts for management of the Facilities or any part thereof.

“Authorized Corporation Representative” shall mean the President, Executive Director/CEO, or Vice President of the Corporation, or any other person authorized to perform an act or execute a document in question.

“Authorized Issuer Representative” shall mean the Chairman or Vice Chairman of or attorney for the Issuer, or any other person authorized to perform an act or execute a document in question.

“Authorized Trustee Representative” shall mean a Vice-President of or attorney for the Trustee, or any other person authorized to perform an act or execute a document in question.

“Authorized Newspaper” shall mean a newspaper generally circulated in St. Johns County, Florida or financial journal generally circulated in New York, New York (which may be The Bond Buyer). When successive publications in an Authorized Newspaper are required, they may be made in the same or a different Authorized Newspaper.

“Balloon Indebtedness” shall mean Long Term Indebtedness (i) twenty-five percent (25%) or more of the original principal amount of which matures within a period of twelve (12) consecutive months, which portion of such principal amount is not required by the documents governing such Indebtedness to be amortized prior to the commencement of such twelve (12) month period in amounts such that, following such amortization, the principal amount maturing during such twelve (12) month period will be less than twenty-five percent (25%) of such original principal amount, or (ii) any portion of the original principal amount of which (1) may be tendered for purchase or redemption prior to maturity at the option of the holder thereof (including any such Indebtedness which is payable on demand within 365 days from the date of incurrence), or (2) is required to be tendered for purchase or redemption (other than for mandatory sinking fund redemption) prior to maturity thereof.

“Bayview Project” shall mean the Care Center and the Pavilion, constructed on the Site with the proceeds of the 1997 Bonds.

“Beneficial Owner” shall mean the Person treated as the owner of Bonds for federal income tax purposes while the Bonds are registered in the name of Cede & Co., as the nominee of DTC. The Trustee is authorized to recognize the Beneficial Owners of Bonds for purposes of approvals, consents or other actions taken hereunder if beneficial ownership is proven to the satisfaction of the Trustee.

“Board of the Corporation” shall mean the then legal governing body vested with power of management of the Corporation.

“Bond” or “Bonds” shall mean one or all, as the case may be, of the 2007 Bonds and any Additional Bonds.

“Bond Counsel” shall mean such attorney or firm of attorneys representing the experienced in matters relating to municipal bond law and the tax-exemption of interest on bonds of states and their political subdivisions.

"Bond Fund" shall mean the fund so designated which is established pursuant to Section 5.01 of the Indenture.

"Bond Purchase Contract" shall mean ~~at~~the contract for sale of the 2007 Bonds to the Investment Banker, entered into by the Issuer, the Corporation and the Investment Banker.

"Bondholder" or "holder of Bonds" shall mean the ~~Registered~~Beneficial Owner of any Bond.

"Bond Year" shall mean the twelve-month period ending on October 1 of each calendar year following the date of issuance of the 2007 Bonds and each twelve-month period thereafter commencing on the anniversary of such date of issuance.

"Buckingham Smith ~~Assisted Living Facility~~" shall mean the assisted living facility by that name located at 169 Martin Luther King Avenue, St. Augustine, Florida ~~and owned and operated by the Corporation.~~

"Business Day" shall mean any day other than a Sunday, a Saturday or any other day on which the State or any banking institutions in the State or the Trustee are authorized by law or are required by executive order to be closed.

"Capital Additions" shall mean all property or interests in property, real, personal and mixed (a) which constitute additions, improvements or extraordinary repairs to or replacements of all or any part of the Mortgaged Property, (b) which constitutes, or are used for, a Health Care Enterprise on the Mortgaged Property, and (c) the Cost of which is properly capitalized under Generally Accepted Accounting Principles.

"Care Center" shall mean the 120-bed skilled nursing and/or extended congregate care facility located on the Site and known as the Samantha R. Wilson Care Center.

"Certificate" shall mean a certificate or report, in form and substance satisfactory to the Issuer and the Trustee, executed: (a) in the case of an Issuer Certificate, by an Authorized Issuer Representative; (b) in the case of a Corporation Certificate, by an Authorized Corporation Representative; and (c) in the case of a Certificate of any other person, by such person, if an individual, and otherwise by an officer, general partner or other authorized representative of such person; provided that in no event shall any individual be permitted to execute any Certificate in more than one capacity. Any Corporation Certificate which relates to any financial test or ratio shall set forth in reasonable detail the computations involved in showing compliance with such test or ratio and the assumptions or evidence used as a basis for the figures used in making such computation.

"Certified Resolution of the Issuer" shall mean a copy of one or more resolutions ~~ed~~certified by the Secretary or an Assistant Secretary of, or a secretary to, the Issuer, under its corporate seal, to have been duly adopted by the governing body of the Issuer and to be in effect on the date of such certification.

"Certified Resolution of the Corporation" shall mean a copy of a resolution of the Corporation or a duly authorized committee thereof, certified by the Secretary or the Assistant

Secretary of the Corporation or other officer ~~servicing~~serving in a similar capacity, under its corporate seal, to have been duly adopted and to be in full force and effect as of the date of such certification.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and all valid and applicable regulations proposed or promulgated thereunder.

“Consultant’s Certificate” shall mean a certificate executed by the Management Consultant.

“Corporation” shall mean St. Johns County Welfare Federation, a Florida not-for-profit corporation.

“Cost” or “Costs”, in connection with the Project or any Capital Addition, shall mean all expenses which constitute costs under the Act and (i) are properly capitalized and chargeable to the Project or any Capital Addition ~~under Generally Accepted Accounting Principles~~ or (ii) are incidental to the financing, acquisition and construction of the Project or any Capital Addition, other than for refunding or redeeming Bonds, including, without limiting the generality of the foregoing:

A. Amounts payable to construction contractors and costs incident to the award of contracts;

B. Cost of labor, facilities and services furnished by the Issuer, the Corporation and their employees or others, materials and supplies purchased by the Issuer, the Corporation or others, and permits and licenses obtained by the Issuer, the Corporation or others;

C. Architectural, legal, accounting and other professional and advisory fees;

D. Premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

E. Interest during construction and for a period not exceeding one (1) year after completion of construction of the Project or any Capital Addition;

F. Marketing and consulting fees and expenses and other administrative expenses during construction, including compensation and expenses of the Trustee;

G. Printing, engraving and other expenses of financing;

H. Costs, fees and expenses in connection with the acquisition of real and personal property or rights therein and the obtaining of required certificates of need and other regulatory approvals for any part of the Project or any Capital Addition;

I. Cost of equipment purchased by the Issuer or the Corporation and necessary to the completion and proper operation of the Mortgaged Property; and

J. Amounts required to repay temporary or bond anticipation loans made to finance the costs of the Project or any Capital Addition.

In the case of refunding any Bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in C, F and G above, advertising and other expenses related to the redemption of the Bonds to be redeemed and the Redemption Price of such Bonds including the accrued interest payable on redemption to the extent not otherwise provided for.

Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to the Issuer, the Corporation or others who have paid the same.

"Counsel" shall mean an attorney-at-law or firm thereof (who may be counsel for the Corporation or the Issuer).

"County" shall mean St. Johns County, Florida.

A "Day's Cash on Hand" shall mean as of any date of calculation:

(i) the Corporation's unrestricted cash and investments as of the date of calculation, including cash and investments held in the Corporation's Working Capital Fund, and including moneys in the Renewal and Replacement Fund, but excluding the moneys in the other funds and accounts established under the Indenture; divided by

(ii) (a) the operating expenses of the Corporation, including interest expenses, for the semiannual period or Fiscal Year last preceding the date of the semiannual or annual calculation (as the case may be), determined in accordance with ~~generally accepted accounting principles~~ Generally Accepted Accounting Principles consistently applied, minus (b) the sum of depreciation, amortization and bad debts for such period, such amount of (a)-(b) being divided by (c) the number of days in the applicable period for which Day's Cash on Hand is being measured.

"Debt Service Coverage Ratio" means, for any period, the ratio of (a) Funds Available for Debt Service received during such period to (b) the Maximum Annual Debt Service Requirement on the Bonds and other Long-Term Indebtedness as of the date of calculation.

"Debt Service Requirement" means, with reference to a specified period:

(a) with respect to any series of Bonds (i) interest accruing on such Bonds during the period, except to the extent such interest is payable from the proceeds of such Bonds, and (ii) amounts required to be deposited in the Debt Service Fund during such period to pay the principal amount of such Bonds becoming due at maturity or by mandatory sinking fund redemptions, as the case may be; and

(b) with respect to any other Long Term Indebtedness (i) interest accruing on such Long Term Indebtedness during the period, except to the extent such interest is payable from the proceeds of such Long Term Indebtedness, (ii) amounts required to be

paid during the period with respect to the principal or sinking fund requirements on such Long Term Indebtedness and (iii) all lease rental payments during the period on Long Term Indebtedness which evidence the acquisition of capital assets which are required to be capitalized under Generally Accepted Accounting Principles.

For the purpose of determining the interest rate on any Bonds or other Long Term Indebtedness which bears interest at a variable rate, such interest rate shall be assumed to be: (1) for the purpose of determining whether such Bonds may be issued or such Long Term Indebtedness may be incurred, the rate estimated by the Investment Banker or a Management Consultant to be in effect at the time of such issuance or incurrence, plus 1% per annum; or (2) for the purpose of Bonds or Long Term Indebtedness Outstanding, the higher of the rate determined pursuant to clause (1) above, or the rate then in effect.

For the purpose of determining the Debt Service Requirements on that portion of Long-Term Indebtedness which constitutes Balloon Indebtedness at the option of the Corporation, in lieu of the provisions of the preceding paragraphs:

(i) If the Corporation received an enforceable commitment for funding new Long-Term Indebtedness to repay such prior Indebtedness, the Debt Service Requirements shall be deemed to be those of the new Long-Term Indebtedness obligation;

(ii) If such Long-Term Indebtedness is secured by a letter of credit or other similar security in an amount at least equal to the principal amount of such Long-Term Indebtedness, the Debt Service Requirements shall be deemed to be those which will become due from the Corporation assuming such letter of credit or other security is drawn upon to pay such Long-Term Indebtedness at any maturity of such Balloon Indebtedness;

(iii) If the Debt Service Coverage Ratio for the preceding Fiscal Year was at least 1.35 and the number of Days' Cash on Hand at the end of the last Fiscal Year, and as of the most recent fiscal quarter, was at least 90, the Debt Service Requirements on such Long-Term Indebtedness shall be deemed to be those which would be payable if such Long-Term Indebtedness were amortized over a term of 20 years, based on level payments of principal and interest, using an interest rate estimated by the Investment Banker or a Management Consultant to be in effect on debt of comparable terms and creditworthiness; and

(iv) If such Long-Term Indebtedness does not meet any of the requirements of subparagraphs (i), (ii) or (iii) above, the Debt Service Requirements shall include the full amount of principal stated to be due in any year on such Long-Term Indebtedness.

For the purpose of determining the Debt Service Requirement on Bonds or Long Term Indebtedness, the principal thereof and interest thereon shall be disregarded to the extent that Defeasance Obligations (other than Investment Securities held in the Debt Service Reserve Fund or the Renewal and Replacement Fund), which are free and clear of liens or encumbrances in favor of other creditors and the principal of and interest on which is sufficient to pay the principal and interest on such Bonds or Long Term Indebtedness, are irrevocably pledged to make such payments.

the Lessor's right of ownership of any such improvements located on the Site upon termination of the Lease;

C. any and all ways, streets, roads, rights, liberties, privileges, tenements, hereditaments, easements and appurtenances belonging on or in anywise appertaining to the Mortgaged Property, and the reversion and reversions, remainder and remainders, rent, issues, and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Corporation of, in and to the same and every part and parcel thereof;

D. the Corporation's ownership interest, if any, in any and all building materials, machinery, apparatus, equipment, fittings, fixtures (including all trade, domestic and ornamental fixtures) and all articles of tangible personal property of every kind and nature used or usable in connection with any present or future operation of and now or hereafter located on, installed on, under or in, or actually or constructively attached to, the Mortgaged Property and/or the Site and the buildings, structures and improvements now or hereafter located thereon, all additions and accessions thereto, substitutions and replacements therefor (for the purposes hereof and to the extent that the expressed intent and agreement of the parties hereto may be given effect under the laws of the State, such machinery, apparatus, equipment, fittings, fixtures and articles of personal property shall be deemed to be fixtures affixed to real estate);

E. any and all proceeds of insurance or condemnation awards payable with respect to any of the property described in clauses A through D and clause G, inclusive, and any warranties or service contracts now or hereafter existing with respect to such property;

F. all of the right, title and interest of the Corporation, as lessor or lessee, with respect to any lease agreements now or hereafter executed by the Corporation, as lessor or lessee, with respect to the Mortgaged Property or any portion thereof, together with all rents and moneys payable to the Corporation as lessor thereunder and existing or future guaranties of all or any of the obligations of any lessee or lessees under such leases, and full power and authority to demand, sue for, recover, receive and give receipts for all rents and other moneys payable to the Corporation as lessor thereunder, and all of the Corporation's right, title and interest in any property, real, personal or mixed, which is the subject of any such leases; and

G. any and all additional land or interest therein and/or improvements to land which may be added to the Mortgaged Property by Supplemental Indenture or by an amendment or supplement hereof.

H. All of the right, title and interest of the Corporation in and to each certificate of need issued by or on behalf of the State of Florida for the Facilities, subject to State review and approval in accordance with law.

"Net Condemnation Proceeds" shall have the meaning defined in Section 7.1414(b) of this Amended Loan Agreement.

"Net Income" shall mean for any Fiscal Year, the Net Revenue, plus other operating and nonoperating income, less all Operating Expenses and nonoperating expenses of the Corporation, including depreciation, amortization and interest expenses, as determined in accordance with Generally Accepted Accounting Principles consistently applied. In calculating Net Income, there

shall be excluded: extraordinary gains and losses; any gains or losses from the disposition of capital assets or the refinancing of Indebtedness; the proceeds received from insurance policies, condemnation awards; any gifts, grants, bequests or contributions, or the income therefrom to the extent that the same (i) may not be pledged or applied to the payment of Debt Service Requirements or any Operating Expenses of the Corporation as a result of restrictions or designations imposed by the donor or maker of the gift, grant, bequest or contribution in question at the time of the making thereof, or (ii) is in excess of the average amount of unrestricted gifts, grants, bequests or contributions received during the last three Fiscal Years.

"Net Insurance Proceeds" shall have the meaning defined in Section 7.13(b) of this Amended Loan Agreement.

"Net Property, Plant and Equipment" shall mean the net book value of the property, plant and equipment of the Corporation (after deduction of accumulated depreciation) as shown on the Corporation's audited financial statement for the most recent Fiscal Year.

"Net Revenue" shall mean, for any Fiscal Year, the gross revenues derived from services to residents, less: bad debt allowances and adjustments; contractual allowances and adjustments with third party payors; allowances and adjustments for free or reduced charge services and allowances; adjustments for discounts for prompt payment by payors.

"Note" shall mean ~~the~~that certain promissory note of the Corporation dated February 1, 2007, in the original principal amount of \$14,505,000 delivered by the Corporation to the Issuer and thereafter assigned to Trustee to evidence its Corporation's obligation to repay the Loan, in substantially the form a true and correct copy of which is attached to this Amended Loan Agreement as Exhibit "B", and any Supplemental Note.

~~"NRMSIR" means a nationally recognized municipal securities information repository, recognized by the Securities and Exchange Commission pursuant to SEC Rule 15c2-12. The name and address of each NRMSIR on the date of issuance of the 2007 Bonds are as follows:~~

Bloomberg Municipal Repositories
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
E-mail: munis@bloomberg.com

DPC Data, Inc.
One Executive Drive Fort Lee, NJ 07024
Phone: (201) 387-0721
Fax: (201) 947-0107
E-mail: nrmsir@dpdata.com

Standard & Poor's
Securities Evaluations, Inc.
55 Water Street, 45th Floor
New York, New York 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
Email: nrmsir_repository@sandp.com

FT Interactive Data
100 William Street, 15th Floor New York, NY
10038
Attn: NRMSIR
Phone: (212) 771-6899; (800) 689-8466
Fax: (212) 771-7390
Email: NRMSIR@interactivedata.com

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**AMENDED AND RESTATED LOAN AGREEMENT,
MORTGAGE AND SECURITY AGREEMENT**

~~THIS LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT~~, dated February 1, 2007, by and between the ~~ST.~~ **THIS AMENDED AND RESTATED LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT**, dated 1, 2019, by and between **UMB BANK, N.A.**, as Successor Trustee (the "*Trustee*") under that certain Trust Indenture dated as of February 1, 2007 relating to the St. Johns County Industrial Development Authority \$14,335,000 Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project) and the St. Johns County Industrial Development Authority \$170,000 Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project), successor in interest to the **ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** (the "*Issuer*"), a public body politic and corporate organized and existing under the laws of the State of Florida, and **ST. JOHNS COUNTY WELFARE FEDERATION** (the "*Corporation*"), a Florida not-for-profit corporation.

W I T N E S S E T H:

WHEREAS, the Issuer is authorized under Chapter 159, Parts II, III and VII, Chapter 154, Part III, Florida Statutes, and other applicable provisions of law, to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing or refinancing of certain projects, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Issuer will be able to promote the health care and economic development of the State of Florida, increase opportunities for gainful employment and otherwise aid in improving the prosperity and welfare of the State (defined below) and its inhabitants, and to provide such financing or refinancing through the issuance of revenue bonds; and

WHEREAS, the Issuer ~~proposes to issue~~ issued its \$14,335,000 Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project) and its \$170,000 Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project) (together, the "*2007 Bonds*") the proceeds of the sale of which ~~will be~~ were loaned to ~~St. Johns County Welfare Federation, a Florida not for profit corporation authorized to do business in the State of Florida (the "Corporation")~~ to refund its ~~Refunded 1997~~ Bonds (defined below) and to pay the Costs of the construction and acquisition of interior renovation to the Facilities (defined below) and a new exterior exercise and nature walkway at the Facilities and to provide working capital needed for operations pending collection of the Corporation's accounts receivable and capitalizing interest on the 2007 Bonds; and

WHEREAS, the 2007 Bonds ~~are~~ were issued under and secured by a *Trust Indenture* dated as of February 1, 2007 (the "*Indenture*" as hereinafter defined), by and between the Issuer and The Bank of New York Trust Company, N.A., Jacksonville, Florida, ~~as Trustee (the "Trustee"), prior trustee~~, whereby the Issuer ~~and the Trustee have~~ agreed that the Trustee shall receive the proceeds from the sale of the 2007 Bonds, net of certain Investment Banker fees and expenses, and disburse the same for the benefit of the Corporation as provided in the Indenture; and

WHEREAS, to memorialize the terms and conditions upon which the Corporation is obligated to repay the Loan, as hereinafter defined, Corporation and Issuer entered into that certain Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 and which was recorded in Official Records Book 2870, Page 1793 of the public records of St. Johns County, Florida (the "Original Loan Agreement"):

WHEREAS, subject to the Reserved Rights, as defined herein, Issuer has assigned all of its right, title, and interest in the Original Loan Agreement;

WHEREAS, Trustee is the present owner and holder of the Original Loan Agreement, subject to the Reserved Rights, by virtue of that certain Assignment of Loan Agreement, Mortgage and Security Agreement and Other Loan Documents dated as of April 4, 2016 and recorded in Official Records Book 4222, Page 1404 of the public records of St. Johns County, Florida;

WHEREAS, under and pursuant to the Indenture, the Issuer has also assigned to Trustee, as security for the payment of the principal of and premium, if any, and interest on the 2007 Bonds and the fees, expenses and advances of the Trustee, and any other sums payable by the Corporation pursuant to ~~this~~the Original Loan Agreement, all of the Issuer's right, title and interest in and to the Trust Estate as hereinafter defined, including ~~this~~the Original Loan Agreement as amended and restated by this Amended Loan Agreement (as defined herein) and all amounts payable by the Corporation hereunder, ~~except certain~~subject however to the aforementioned Reserved Rights, as hereinafter defined;; and

WHEREAS, in anticipation of the sale of Buckingham Smith, the Trustee and Corporation, with the joinder and consent of the Issuer, have individually and collectively determined that it is in their individual and collective best interests to amend and restate the Original Loan Agreement as set forth herein as permitted by the provisions of Section 9.08 of the Original Loan Agreement.

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE to amend and restate in its entirety, the terms and conditions of the Original Loan Agreement and, from and after the date hereof, do further AGREE to all provisions contained in this Amended Loan Agreement.

*Terms used as defined terms in these Preambles shall, unless specifically otherwise provided, have the meanings ascribed thereto in Section 1.01 hereof.

ARTICLE I DEFINITIONS

Section 1.01 Definitions. The terms and phrases defined in this Article shall for all purposes of this Amended Loan Agreement have the meanings herein specified unless the context clearly otherwise requires:

"1997 Bonds" shall mean, collectively, the 1997A Bonds and the ~~2007B Bonds.~~ 1997B Bonds. ~~"1997A Bonds" shall mean the St. Johns County Industrial Development~~

"1997A Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Bonds, Tax Exempt Series 1997A (Bayview Project), dated March 1, 1997, issued in the original principal amount of \$11,570,000.

"1997B Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Bonds, Taxable Series ~~2007B~~1997B (Bayview Project), dated ~~February~~March 1, ~~2007~~1997, issued in the original principal amount of \$1,835,000.

"2007 Bonds" shall mean, collectively, the 2007A Bonds and the 2007B Bonds.—~~"2007 Bonds Expense Account" shall mean the account established pursuant to Section 3.04 hereof.~~

"2007A Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project), issued hereunder.

"2007B Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project), issued hereunder.

"Act" shall mean Chapter 159, Parts II, III and VII, and Chapter 154, Part III, Florida Statutes and other applicable provisions of law.

"Accountant" shall mean a firm of independent certified public accountants, which may be the external auditing firm of the Corporation, not unsatisfactory to the Trustee or a Majority of Bondholders.

"Additional Bonds" shall mean any Additional Bonds issued under and pursuant to the provisions of Section 3.02 hereof.

"Agency Obligations" shall mean bonds, debentures, notes or other evidences of indebtedness issued by Federal Home Loan Bank System; Federal Home Loan Mortgage Corporation (including participation certificates); Federal National Mortgage Association; Resolution Funding Corporation; or Federal Farm Credit System;

"Amended Loan Agreement" shall mean this *Amended and Restated Loan Agreement, Mortgage and Security Agreement* dated as of April 1, 2019 between the Trustee and the Corporation and all modifications, amendments and supplements thereto.

"Architect" shall mean an independent architect or engineer or firm of architects or engineers which is appointed by the Corporation for the purpose of passing on questions relating to the design and construction of the Facilities, has all licenses and certifications necessary for the performance of such services, has a favorable reputation for skill and experience in performing similar services in respect of facilities of a comparable size and nature, and is not unsatisfactory to the Trustee.

"Assignment of Management Contract" means that certain Assignment of Management Contract dated as of February 1, 2007 by the Corporation to the Trustee assigning the Management Contract and all renewals or extensions thereof, and all future contracts for management of the Facilities or any part thereof.

“Authorized Corporation Representative” shall mean the President, Executive Director/CEO, or Vice President of the Corporation, or any other person authorized to perform an act or execute a document in question.

“Authorized Issuer Representative” shall mean the Chairman or Vice Chairman of or attorney for the Issuer, or any other person authorized to perform an act or execute a document in question.

“Authorized Trustee Representative” shall mean a Vice-President of or attorney for the Trustee, or any other person authorized to perform an act or execute a document in question.

“Authorized Newspaper” shall mean a newspaper generally circulated in St. Johns County, Florida or financial journal generally circulated in New York, New York (which may be The Bond Buyer). When successive publications in an Authorized Newspaper are required, they may be made in the same or a different Authorized Newspaper.

“Balloon Indebtedness” shall mean Long Term Indebtedness (i) twenty-five percent (25%) or more of the original principal amount of which matures within a period of twelve (12) consecutive months, which portion of such principal amount is not required by the documents governing such Indebtedness to be amortized prior to the commencement of such twelve (12) month period in amounts such that, following such amortization, the principal amount maturing during such twelve (12) month period will be less than twenty-five percent (25%) of such original principal amount, or (ii) any portion of the original principal amount of which (1) may be tendered for purchase or redemption prior to maturity at the option of the holder thereof (including any such Indebtedness which is payable on demand within 365 days from the date of incurrence), or (2) is required to be tendered for purchase or redemption (other than for mandatory sinking fund redemption) prior to maturity thereof.

“Bayview Project” shall mean the Care Center and the Pavilion, constructed on the Site with the proceeds of the 1997 Bonds.

“Beneficial Owner” shall mean the Person treated as the owner of Bonds for federal income tax purposes while the Bonds are registered in the name of Cede & Co., as the nominee of DTC. The Trustee is authorized to recognize the Beneficial Owners of Bonds for purposes of approvals, consents or other actions taken hereunder if beneficial ownership is proven to the satisfaction of the Trustee.

“Board of the Corporation” shall mean the then legal governing body vested with power of management of the Corporation.

“Bond” or “Bonds” shall mean one or all, as the case may be, of the 2007 Bonds and any Additional Bonds.

“Bond Counsel” shall mean such attorney or firm of attorneys representing the experienced in matters relating to municipal bond law and the tax-exemption of interest on bonds of states and their political subdivisions.

"Bond Fund" shall mean the fund so designated which is established pursuant to Section 5.01 of the Indenture.

"Bond Purchase Contract" shall mean ~~at~~the contract for sale of the 2007 Bonds to the Investment Banker, entered into by the Issuer, the Corporation and the Investment Banker.

"Bondholder" or "holder of Bonds" shall mean the ~~Registered~~Beneficial Owner of any Bond.

"Bond Year" shall mean the twelve-month period ending on October 1 of each calendar year following the date of issuance of the 2007 Bonds and each twelve-month period thereafter commencing on the anniversary of such date of issuance.

"Buckingham Smith ~~Assisted Living Facility~~" shall mean the assisted living facility by that name located at 169 Martin Luther King Avenue, St. Augustine, Florida ~~and owned and operated by the Corporation.~~

"Business Day" shall mean any day other than a Sunday, a Saturday or any other day on which the State or any banking institutions in the State or the Trustee are authorized by law or are required by executive order to be closed.

"Capital Additions" shall mean all property or interests in property, real, personal and mixed (a) which constitute additions, improvements or extraordinary repairs to or replacements of all or any part of the Mortgaged Property, (b) which constitutes, or are used for, a Health Care Enterprise on the Mortgaged Property, and (c) the Cost of which is properly capitalized under Generally Accepted Accounting Principles.

"Care Center" shall mean the 120-bed skilled nursing and/or extended congregate care facility located on the Site and known as the Samantha R. Wilson Care Center.

"Certificate" shall mean a certificate or report, in form and substance satisfactory to the Issuer and the Trustee, executed: (a) in the case of an Issuer Certificate, by an Authorized Issuer Representative; (b) in the case of a Corporation Certificate, by an Authorized Corporation Representative; and (c) in the case of a Certificate of any other person, by such person, if an individual, and otherwise by an officer, general partner or other authorized representative of such person; provided that in no event shall any individual be permitted to execute any Certificate in more than one capacity. Any Corporation Certificate which relates to any financial test or ratio shall set forth in reasonable detail the computations involved in showing compliance with such test or ratio and the assumptions or evidence used as a basis for the figures used in making such computation.

"Certified Resolution of the Issuer" shall mean a copy of one or more resolutions ~~ed~~certified by the Secretary or an Assistant Secretary of, or a secretary to, the Issuer, under its corporate seal, to have been duly adopted by the governing body of the Issuer and to be in effect on the date of such certification.

"Certified Resolution of the Corporation" shall mean a copy of a resolution of the Corporation or a duly authorized committee thereof, certified by the Secretary or the Assistant

Secretary of the Corporation or other officer ~~servicing~~ ^{serving} in a similar capacity, under its corporate seal, to have been duly adopted and to be in full force and effect as of the date of such certification.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and all valid and applicable regulations proposed or promulgated thereunder.

“Consultant’s Certificate” shall mean a certificate executed by the Management Consultant.

“Corporation” shall mean St. Johns County Welfare Federation, a Florida not-for-profit corporation.

“Cost” or “Costs”, in connection with the Project or any Capital Addition, shall mean all expenses which constitute costs under the Act and (i) are properly capitalized and chargeable to the Project or any Capital Addition ~~under Generally Accepted Accounting Principles~~ or (ii) are incidental to the financing, acquisition and construction of the Project or any Capital Addition, other than for refunding or redeeming Bonds, including, without limiting the generality of the foregoing:

A. Amounts payable to construction contractors and costs incident to the award of contracts;

B. Cost of labor, facilities and services furnished by the Issuer, the Corporation and their employees or others, materials and supplies purchased by the Issuer, the Corporation or others, and permits and licenses obtained by the Issuer, the Corporation or others;

C. Architectural, legal, accounting and other professional and advisory fees;

D. Premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

E. Interest during construction and for a period not exceeding one (1) year after completion of construction of the Project or any Capital Addition;

F. Marketing and consulting fees and expenses and other administrative expenses during construction, including compensation and expenses of the Trustee;

G. Printing, engraving and other expenses of financing;

H. Costs, fees and expenses in connection with the acquisition of real and personal property or rights therein and the obtaining of required certificates of need and other regulatory approvals for any part of the Project or any Capital Addition;

I. Cost of equipment purchased by the Issuer or the Corporation and necessary to the completion and proper operation of the Mortgaged Property; and

J. Amounts required to repay temporary or bond anticipation loans made to finance the costs of the Project or any Capital Addition.

In the case of refunding any Bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in C, F and G above, advertising and other expenses related to the redemption of the Bonds to be redeemed and the Redemption Price of such Bonds including the accrued interest payable on redemption to the extent not otherwise provided for.

Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to the Issuer, the Corporation or others who have paid the same.

"Counsel" shall mean an attorney-at-law or firm thereof (who may be counsel for the Corporation or the Issuer).

"County" shall mean St. Johns County, Florida.

A "Day's Cash on Hand" shall mean as of any date of calculation:

(i) the Corporation's unrestricted cash and investments as of the date of calculation, including cash and investments held in the Corporation's Working Capital Fund, and including moneys in the Renewal and Replacement Fund, but excluding the moneys in the other funds and accounts established under the Indenture; divided by

(ii) (a) the operating expenses of the Corporation, including interest expenses, for the semiannual period or Fiscal Year last preceding the date of the semiannual or annual calculation (as the case may be), determined in accordance with ~~generally accepted accounting principles~~ Generally Accepted Accounting Principles consistently applied, minus (b) the sum of depreciation, amortization and bad debts for such period, such amount of (a)-(b) being divided by (c) the number of days in the applicable period for which Day's Cash on Hand is being measured.

"Debt Service Coverage Ratio" means, for any period, the ratio of (a) Funds Available for Debt Service received during such period to (b) the Maximum Annual Debt Service Requirement on the Bonds and other Long-Term Indebtedness as of the date of calculation.

"Debt Service Requirement" means, with reference to a specified period:

(a) with respect to any series of Bonds (i) interest accruing on such Bonds during the period, except to the extent such interest is payable from the proceeds of such Bonds, and (ii) amounts required to be deposited in the Debt Service Fund during such period to pay the principal amount of such Bonds becoming due at maturity or by mandatory sinking fund redemptions, as the case may be; and

(b) with respect to any other Long Term Indebtedness (i) interest accruing on such Long Term Indebtedness during the period, except to the extent such interest is payable from the proceeds of such Long Term Indebtedness, (ii) amounts required to be

paid during the period with respect to the principal or sinking fund requirements on such Long Term Indebtedness and (iii) all lease rental payments during the period on Long Term Indebtedness which evidence the acquisition of capital assets which are required to be capitalized under Generally Accepted Accounting Principles.

For the purpose of determining the interest rate on any Bonds or other Long Term Indebtedness which bears interest at a variable rate, such interest rate shall be assumed to be: (1) for the purpose of determining whether such Bonds may be issued or such Long Term Indebtedness may be incurred, the rate estimated by the Investment Banker or a Management Consultant to be in effect at the time of such issuance or incurrence, plus 1% per annum; or (2) for the purpose of Bonds or Long Term Indebtedness Outstanding, the higher of the rate determined pursuant to clause (1) above, or the rate then in effect.

For the purpose of determining the Debt Service Requirements on that portion of Long-Term Indebtedness which constitutes Balloon Indebtedness at the option of the Corporation, in lieu of the provisions of the preceding paragraphs:

(i) If the Corporation received an enforceable commitment for funding new Long-Term Indebtedness to repay such prior Indebtedness, the Debt Service Requirements shall be deemed to be those of the new Long-Term Indebtedness obligation;

(ii) If such Long-Term Indebtedness is secured by a letter of credit or other similar security in an amount at least equal to the principal amount of such Long-Term Indebtedness, the Debt Service Requirements shall be deemed to be those which will become due from the Corporation assuming such letter of credit or other security is drawn upon to pay such Long-Term Indebtedness at any maturity of such Balloon Indebtedness;

(iii) If the Debt Service Coverage Ratio for the preceding Fiscal Year was at least 1.35 and the number of Days' Cash on Hand at the end of the last Fiscal Year, and as of the most recent fiscal quarter, was at least 90, the Debt Service Requirements on such Long-Term Indebtedness shall be deemed to be those which would be payable if such Long-Term Indebtedness were amortized over a term of 20 years, based on level payments of principal and interest, using an interest rate estimated by the Investment Banker or a Management Consultant to be in effect on debt of comparable terms and creditworthiness; and

(iv) If such Long-Term Indebtedness does not meet any of the requirements of subparagraphs (i), (ii) or (iii) above, the Debt Service Requirements shall include the full amount of principal stated to be due in any year on such Long-Term Indebtedness.

For the purpose of determining the Debt Service Requirement on Bonds or Long Term Indebtedness, the principal thereof and interest thereon shall be disregarded to the extent that Defeasance Obligations (other than Investment Securities held in the Debt Service Reserve Fund or the Renewal and Replacement Fund), which are free and clear of liens or encumbrances in favor of other creditors and the principal of and interest on which is sufficient to pay the principal and interest on such Bonds or Long Term Indebtedness, are irrevocably pledged to make such payments.

"Debt Service Reserve Fund" shall mean the fund so designated which is established pursuant to Section 5.02 of the Indenture.

"Debt Service Reserve Fund Requirement" shall mean the Maximum Annual Debt Service Requirement on all Bonds outstanding as of the date of determination; provided that the amount deposited in any account in the Debt Service Reserve Fund from the proceeds of Tax-Exempt Reserve-Secured Bonds at the time of issuance of each series of Reserve-Secured Bonds shall not exceed 10% of the principal amount (net of original issue discount or premium) of such series of Tax-Exempt Reserve-Secured Bonds.

"Defeasance Obligations" shall mean obligations of the type described in clauses (a) through (i) of the definition of Investment Securities.

"Determination of Taxability" shall mean a determination that the interest income on any of the Tax-Exempt Bonds is not excluded from gross income under Section 103 of the Code, which determination shall be deemed to have been made upon the first to occur of the following:

A. the date on which the Trustee is notified by Bond Counsel that Bond Counsel is unable to render an opinion that the interest income on any of the Tax-Exempt Bonds is excluded from gross income; or

B. the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service issues any private ruling, technical advice or any other written communication with or to the effect that the interest income on any of the Tax-Exempt Bonds is not excluded from gross income; or

C. the date on which the Corporation shall receive notice from the Trustee in writing that the Trustee has been advised by any ~~Registered Beneficial~~ Owner or former ~~Registered Beneficial~~ Owner that the Internal Revenue Service has issued a thirty-day letter or other notice to such ~~Registered Beneficial~~ Owner or former ~~Registered Beneficial~~ Owner which asserts that the interest on the Tax-Exempt Bonds is not excluded from gross income.

"EMMA" means the MSRB's Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

"Escrow Agent" shall mean The Bank of New York Trust Company, N.A., as 1997 Trustee.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement dated as of February 1, 2007 between the Issuer and the ~~1997 Trustee, as~~ Escrow Agent, providing for payment of the 1997 Bonds.

"Event of Bankruptcy" shall mean the occurrence of any of the following events: (i) the Corporation shall become insolvent or the subject of insolvency proceedings or shall file a petition

or other pleading seeking an "order for relief" within the meaning of the United States Bankruptcy Code, or shall file any petition or other pleading seeking reorganization, composition, readjustment, liquidation of assets or similar relief itself under any present or future law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Corporation, or of substantially all of the assets of the Corporation, or shall make a general assignment for the benefit of creditors, or shall be unable or admit in writing its inability to pay its debts generally as they become due; or (ii) a petition or other pleading shall be filed against the Corporation seeking an "order for relief" within the meaning of the United States Bankruptcy Code or any reorganization, composition, readjustment, liquidation of assets or similar relief under any present or future law or regulation, and shall remain undismissed or unstayed for an aggregate period of one hundred twenty (120) days (whether or not consecutive), or, by an order or decree of a court of competent jurisdiction, the Corporation shall become the subject of an "order for relief" within the meaning of the United States Bankruptcy Code or relief shall be granted under or pursuant to any such petition or other pleading, or, by order or decree of such court, there shall be appointed, without the consent or acquiescence of the Corporation, a trustee in bankruptcy or reorganization or a receiver or liquidator of the Corporation or of all or any substantial part of the property of the Corporation, and any such order or decree shall have continued unvacated, unstayed on appeal or otherwise and in effect for a period of one hundred twenty (120) days.

"Event of Default" shall mean any of the events described in Section ~~11~~8.01 hereof.

"Facilities" means the Bayview Project, ~~the Buckingham Smith Assisted Living Facility,~~ the Project and any Capital Additions.

"Feasibility Report" shall mean a report prepared and signed by a Management Consultant setting forth for a forecast period not exceeding five Fiscal Years from the later of the date of the issuance of the Long-Term Indebtedness in question, or the completion of the Facilities or the Capital Additions financed with such Long-Term Indebtedness: (i) forecasted financial statements prepared on the same basis as the Corporation's audited financial statements; and (ii) a full explanation of the assumptions and rationale used in preparing such forecasts, including that such forecasts have taken into account the projected utilization of the Corporation's facilities, the rates and charges to patients and residents and such other data and information as may be necessary to support the forecasted financial statements; which shall be accompanied by an opinion of such Management Consultant or the Corporation that the underlying assumptions provide a reasonable basis for such forecast.

"Fiscal Year" shall mean the period of twelve (12) months beginning October 1 of each year.

"Funds Available for Debt Service" shall mean in any period the sum of: (i) the Corporation's Net Income for such period; (ii) all interest expense of the Corporation for such period with respect to Long-Term Indebtedness, except interest on any Long-Term Indebtedness which is paid from the proceeds of such Indebtedness; (iii) all depreciation expense, amortization of financing charges and other non-cash expenses deducted from Net Revenue in accordance with generally accepted accounting principles in determining Net Income for such period.

"Funds" shall mean the Bond Fund, the Debt Service Reserve Fund, the Renewal and Replacement Fund, the Rebate Fund, the Project Fund, and any accounts established in any of the foregoing ("Accounts").

"Generally Accepted Accounting Principles" shall mean those accounting principles applicable in the preparation of financial statements, as promulgated from time to time by the Financial Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants.

"Government Obligations" shall mean direct obligations of, or obligations the full and timely payment of principal and interest on which are backed by the full faith and credit of the United States of America (excluding mutual funds and unit investment trusts, the assets of which consist of Government Obligations).

"Gross Revenues" shall mean all receipts, revenues, payments, income and other moneys received by or on behalf of the Corporation from any source, whether or not in connection with the ownership or the operation of all or any part of the Mortgaged Property, including, without limitation, all fees from services to residents, and all other operating and nonoperating revenues, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles of the Corporation and the proceeds thereof, the proceeds of any insurance coverage on and condemnation awards in respect of the Mortgaged Property or any gain on the sale or other Corporation disposition of property; all of the foregoing, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Corporation; and including all gifts, grants, bequests, donations and contributions, except those heretofore or hereafter made, restricted at the time of making by the donor or maker as being for certain specified purposes inconsistent with the application thereof to the payments due from the Corporation under this Amended Loan Agreement and except any income derived therefrom to the extent required by such restriction.

"Health Care Enterprise" shall mean the business of operating the Facilities as a health care facility as defined by the Act in the following manner; to wit: the business of operating the Facilities as an assisted living facility for the elderly or as facilities used or useful in connection with the diagnosis, treatment, therapy, rehabilitation, housing or care of or for aged, sick, ill, injured, infirm, impaired, disabled or handicapped persons, without discrimination among such persons due to race, religion or national origin.

"Immediate Notice" means notice by telephone, telex or telecopier to such number as the addressee shall have directed in writing, promptly followed by written notice by first class mail, postage prepaid; provided, however, that if any Person required to give an Immediate Notice shall not have been provided with the necessary information as to the telephone, telex or telecopier number of an addressee, Immediate Notice shall mean written notice by first class mail, postage prepaid.

"Indebtedness" shall mean any obligation of the Corporation for the payment of money, including without limitation (i) indebtedness for money borrowed, (ii) purchase money obligations, (iii) leases evidencing the acquisition of capital assets, (iv) reimbursement obligations and (v) guarantees of any such obligation of a third party, but excluding (a) obligations under

contracts for supplies, services and pensions allocable to current Operating Expenses during the current or future Fiscal Years in which the supplies are to be delivered, the services rendered or the pensions paid, and (b) payments payable in the current or future Fiscal Years under leases not intended to evidence the acquisitions of capital assets.

"Indenture" shall mean the Amended and Restated Trust Indenture executed and delivered ~~by the~~ to the Trustee, dated as of _____, ~~2007~~April 1, 2019, as amended or supplemented at time in question, under which the 2007 Bonds are issued and secured.

"Independent" shall mean with respect to the Accountant, the Architect, the Insurance Consultant and the Management Consultant, a Person: (1) who is not a member of the Board of the Corporation, the governing body of the Manager, the Marketing Agent or the Issuer; (ii) who is not an officer or employee of the Issuer, the Manager, the Marketing Agent or the Corporation; or (iii) which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is a member of the Board of the Corporation, the Manager, the Marketing Agent or the Issuer, or an officer or employee of the Issuer, the Manager, the Marketing Agent or the Corporation; provided, however, that the fact that such Person is retained regularly by or transacts business with the Issuer, the Manager, the Marketing Agent or the Corporation shall not make such Person an employee within the meaning of this definition.

"Insurance Consultant" shall mean a Person who shall be Independent, appointed by the Corporation or the Issuer, as the case may be, and not unsatisfactory to the other party or the Trustee, qualified to survey risks and to recommend insurance coverage for the Facilities and operations of the Corporation and having a favorable reputation for skill and experience in performing such services in respect of facilities and operations of a comparable size and nature, and who may be a broker or agent with whom the Corporation or the Issuer transacts business.

"Interest Payment Date" shall mean each April 1 and October 1, commencing October 1, 2007. In each case, if any date so specified is not a Business Day, the Interest Payment Date shall be the immediately following Business Day.

"Interested Bondholder" shall mean the holder of \$1,000,000 or more in aggregate principal amount of the Bonds and any other Bondholder who shall have filed a written request with the Trustee to receive copies of reports under the Indenture.

"Investment Banker" shall mean Herbert J. Sims & Co., Inc. and its successors.

"Investment Instructions" shall mean the Investment Instructions executed by an Authorized Corporation Representative and delivered to the Trustee on the date of original delivery of the 2007 Bonds, as amended or superseded from time to time.

"Investment Securities" shall mean and include any of the following securities, if and to the extent the same are permitted under State law:

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons which have been stripped from Government Obligations, or receipts or

certificates evidencing an undivided proportionate interest in payments from a pool of such Government Obligations or stripped interest coupons which are held in a custody or trust account by a commercial bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$20,000,000;

(c) Agency Obligations;

(d) obligations of any state or political subdivision thereof or any agency or instrumentality of such a state or political subdivision, the interest on which, in the opinion of Bond Counsel, is exempt from federal income tax provided that (i) such obligations are rated, at the time of purchase thereof, "Aa" or better by Moody's Investors Service or "AA" or better by Standard & Poor's Ratings Group, or (ii) (A) cash, Government Obligations or a combination thereof have been irrevocably pledged to and deposited into a segregated escrow account for the payment when due of the principal or redemption price of and interest on such obligations, (B) any cash pledged and deposited as aforesaid is in such amount and any Government Obligations so pledged and deposited are payable as to principal and interest in such amounts and on such dates as may be necessary, without reinvestment, to provide for the payment when due of the principal or redemption price of and interest on such obligations, (C) such obligations are not subject to redemption prior to maturity except as provided in the terms of such escrow account and (D) such obligations are rated at the time of purchase thereof in the highest credit rating category by Moody's Investors Service or Standard & Poor's Ratings Group;

(e) deposits, federal funds or banker's acceptances of any bank, including a branch office of a bank which branch office is located outside the bank's home country, provided legal opinions are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, and provided such bank (i) has an unsecured, uninsured and unguaranteed obligation rated, at the time of purchase thereof, in one of the two highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group, or (ii) is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting the rating requirements in clause (i) above; and provided further that any such obligations are held by the Trustee or by a bank, trust company or national banking association (other than the issuer of such obligation) during the term of such contract;

(f) deposits with any bank or savings and loan association which has combined capital, surplus and undivided profits of not less than \$20,000,000, provided such deposits are fully insured by the Federal Deposit Insurance Corporation;

(g) repurchase agreements collateralized by securities described in subsection (a), (b) or (d) above with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank, if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rated, at the time of purchase thereof, in one of the two highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group, provided: (i) a master repurchase agreement or specific written repurchase agreement governs the transaction, (ii) the securities are held, free and clear of liens or claims by third parties, by the Trustee or an independent party acting solely as agent for the Trustee, and such agent is (A) a Federal Reserve Bank or (B) a bank which is a member of the Federal Deposit Insurance

Corporation and which has combined capital, surplus and undivided profits of not less than \$25,000,000, and the Trustee shall have received written confirmation from such third party that it holds such securities as agent for the Trustee, free of liens or claims by third parties (iii) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 CFR 306.1 et seq. or 31 CFR 350.0 et seq. in such securities is created for the benefit of the Trustee, (iv) the repurchase agreement has a term of thirty days or less, or the Trustee will value the collateral securities at the current market value thereof no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two Business Days of such valuation, (v) the repurchase agreement matures at least ten days (or other appropriate liquidation period) prior to an Interest Payment Date, and (vi) the fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 100%;

(h) U.S. dollar-denominated, senior debt obligations issued or guaranteed by any corporation organized under the laws of one of the United States of America which are rated at the time of purchase thereof in one of the two highest Long-Term credit rating categories by Moody's Investors Service or Standard & Poor's Ratings Group;

(i) investment agreements with, or which are guaranteed by, a financial institution which has an unsecured, uninsured and unguaranteed obligation the time such agreement is entered into, in one of the three highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group, or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting such rating requirements, provided (i) interest is paid at least semi-annually at a fixed rate during the entire term of the agreement, consistent with Interest Payment Dates, (ii) moneys invested thereunder may be withdrawn without any penalty, premium or charge upon not more than seven ~~day's~~days' notice (provided such notice may be amended or cancelled at any time prior to the withdrawal date); except with regard to an investment agreement relating to capitalized interest held in the Bond Fund, which may provide that moneys may be withdrawn only on the Interest Payment Dates on which such capitalized interest is to be paid, (iii) the agreement is not subordinated to any other obligations of such insurance company or bank, (iv) the same guaranteed interest rate will be paid on any future deposits permitted to be made under such investment agreement, and (v) the Trustee receives an opinion of counsel that such agreement is an enforceable obligation of such insurance company or bank;

(j) shares or certificates in any short-term investment fund which invests solely in obligations described in subparagraph (a) above provided such obligations are rated, at the time of purchase thereof, in one of the two highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group;

(k) commercial paper rated, at the time of purchase thereof, in the highest rating category by Moody's Investors Service or Standard & Poor's Ratings Group; and

(l) shares of an open-end, diversified investment company which is registered under the Investment Company Act of 1940, as amended (including without funds of the Trustee or its affiliates), and which (i) invests its assets in obligations of or guaranteed by the United States of America or any instrumentality or agency thereof having in each instance a final maturity date of not more than one year from the date of purchase; (ii) seeks to maintain a constant net asset value

per share; and (iii) has aggregate net assets of not less than \$50,000,000 on the date of purchase of such shares.

"Issuer" shall mean St. Johns County Industrial Development Authority, a body politic and corporate created and existing pursuant to the Act.

"Lease" shall mean that certain Lease Agreement dated as of September 25, 1996, as amended by Amendment of Lease Agreement dated August 31, 2004, and as amended by Amendment to Lease Agreement dated February [REDACTED], 2007, each by and between the County, as Lessor, and the Corporation, as Lessee, relating to the Site and recorded in the official public records of the County.

"Lessee" shall mean the Corporation, its successor and assigns.

"Lessor" shall mean St. Johns County, a political subdivision of the State of Florida, as Lessor under the Lease.

"Liquidity Covenant" shall have the meaning set forth in Section 7.02(c) of this Amended Loan Agreement, without regard to the provisions of Section 7.02(d) of this Amended Loan Agreement.

"Loan" shall mean the loan made from the proceeds of the 2007 Bonds from the Issuer to the Corporation memorialized by the Note and payable pursuant to this Loan Agreement.

~~"Loan Agreement" shall mean this Amended Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 between the Issuer and the Corporation and all modifications, amendments and supplements thereto.~~

"Loan Payment" shall mean the payments required to be made under this Amended Loan Agreement by the Corporation to the Trustee pursuant to Section 5.01 of this Amended Loan Agreement.

~~"Liquidity Covenant" shall have the meaning set forth in Section 7.02(c) of this Loan Agreement, without regard to the provisions of Section 7.02(d) of this Loan Agreement.~~

"Long-Term Indebtedness" shall mean all Indebtedness of the Corporation, except:

- (a) Short-Term Indebtedness;
- (b) Current obligations payable out of current revenues, including current payments for the funding of pension plans or contributions to self-insurance programs;
- (c) Obligations under contracts for supplies, services and pensions, allocable to the current Operating Expenses of future years in which the supplies are to be furnished, the services are to be rendered or the pensions paid; and
- (d) Scheduled payments under construction contracts.

"Majority of Bondholders" shall mean the ~~Registered~~ Beneficial Owners of more than 50% of the principal amount of the Bonds Outstanding.

"Management Consultant" shall mean an independent consulting firm which is appointed by the Corporation for the purpose of passing on questions relating to the financial affairs, marketing, management or operations of the Corporation, has a favorable reputation for skill and experience in performing similar services in respect of entities of a comparable size and nature and is not unsatisfactory to the Trustee or the Issuer. If any Management Consultant's certificate or report is required to be given with respect to matters partly within and partly without the expertise of any Management Consultant, such Management Consultant may rely upon the report or opinion of another Management Consultant possessing the necessary expertise.

"Manager" means the senior officer of the Corporation responsible for management of the Facilities and all other activities of the Corporation, any successor to such person, or any management company or companies appointed by the Corporation to supervise the operation and management of the Facilities and/or any of the other activities of the Corporation.

"Marketing Agent" means the senior officer of the Corporation responsible for marketing the units in the Facilities, any successor to such person, or any marketing firm appointed by the Corporation to market the units in the Facilities.

"Maximum Annual Debt Service Requirement" shall mean (1) for purposes of computing the Debt Service Reserve Fund Requirement, the greatest Debt Service Requirements on all aggregate Reserve-Secured Bonds Outstanding in the then current or any future Fiscal Year, other than the Debt Service Requirements on the 2007A Bonds for the twelve (12) month period ending October 1, 2041; provided that the Maximum Annual Debt Service Requirement for any Long-Term Indebtedness shall be disregarded for any period during which the interest on such Long-Term Indebtedness is funded from the proceeds thereof; and (2) for purposes of computing the Debt Service Coverage Ratio shall be such amount described in (1) above including all 2007B Bonds.

"Mortgage" shall mean the mortgage of the Mortgaged Property originally granted to the Issuer by the Corporation pursuant to ~~this~~ the Original Loan Agreement and subsequently assigned to the Trustee as amended and restated by this Amended Loan Agreement, and any modifications or amendments thereto.

"Mortgaged Property" shall mean:

A.—(1) The Corporation's leasehold interest in the Site, the Facilities, the Project and all Capital Additions pursuant to the Lease; and

~~(2) The Corporation's land and improvements located at 169 Martin Luther King Avenue, St. Augustine, Florida and more particularly described on Exhibit A-2 attached to the Loan Agreement, together with all appurtenances thereto;~~

B. any and all buildings, structures and other improvements now or hereafter located on the Site or any of the other Mortgaged Property or upon any part and parcel thereof, subject to

the Lessor's right of ownership of any such improvements located on the Site upon termination of the Lease;

C. any and all ways, streets, roads, rights, liberties, privileges, tenements, hereditaments, easements and appurtenances belonging on or in anywise appertaining to the Mortgaged Property, and the reversion and reversions, remainder and remainders, rent, issues, and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Corporation of, in and to the same and every part and parcel thereof;

D. the Corporation's ownership interest, if any, in any and all building materials, machinery, apparatus, equipment, fittings, fixtures (including all trade, domestic and ornamental fixtures) and all articles of tangible personal property of every kind and nature used or usable in connection with any present or future operation of and now or hereafter located on, installed on, under or in, or actually or constructively attached to, the Mortgaged Property and/or the Site and the buildings, structures and improvements now or hereafter located thereon, all additions and accessions thereto, substitutions and replacements therefor (for the purposes hereof and to the extent that the expressed intent and agreement of the parties hereto may be given effect under the laws of the State, such machinery, apparatus, equipment, fittings, fixtures and articles of personal property shall be deemed to be fixtures affixed to real estate);

E. any and all proceeds of insurance or condemnation awards payable with respect to any of the property described in clauses A through D and clause G, inclusive, and any warranties or service contracts now or hereafter existing with respect to such property;

F. all of the right, title and interest of the Corporation, as lessor or lessee, with respect to any lease agreements now or hereafter executed by the Corporation, as lessor or lessee, with respect to the Mortgaged Property or any portion thereof, together with all rents and moneys payable to the Corporation as lessor thereunder and existing or future guaranties of all or any of the obligations of any lessee or lessees under such leases, and full power and authority to demand, sue for, recover, receive and give receipts for all rents and other moneys payable to the Corporation as lessor thereunder, and all of the Corporation's right, title and interest in any property, real, personal or mixed, which is the subject of any such leases; and

G. any and all additional land or interest therein and/or improvements to land which may be added to the Mortgaged Property by Supplemental Indenture or by an amendment or supplement hereof.

H. All of the right, title and interest of the Corporation in and to each certificate of need issued by or on behalf of the State of Florida for the Facilities, subject to State review and approval in accordance with law.

"Net Condemnation Proceeds" shall have the meaning defined in Section 7. ~~414(b)~~ of this Amended Loan Agreement.

"Net Income" shall mean for any Fiscal Year, the Net Revenue, plus other operating and nonoperating income, less all Operating Expenses and nonoperating expenses of the Corporation, including depreciation, amortization and interest expenses, as determined in accordance with Generally Accepted Accounting Principles consistently applied. In calculating Net Income, there

shall be excluded: extraordinary gains and losses; any gains or losses from the disposition of capital assets or the refinancing of Indebtedness; the proceeds received from insurance policies, condemnation awards; any gifts, grants, bequests or contributions, or the income therefrom to the extent that the same (i) may not be pledged or applied to the payment of Debt Service Requirements or any Operating Expenses of the Corporation as a result of restrictions or designations imposed by the donor or maker of the gift, grant, bequest or contribution in question at the time of the making thereof, or (ii) is in excess of the average amount of unrestricted gifts, grants, bequests or contributions received during the last three Fiscal Years.

"Net Insurance Proceeds" shall have the meaning defined in Section 7.13(b) of this Amended Loan Agreement.

"Net Property, Plant and Equipment" shall mean the net book value of the property, plant and equipment of the Corporation (after deduction of accumulated depreciation) as shown on the Corporation's audited financial statement for the most recent Fiscal Year.

"Net Revenue" shall mean, for any Fiscal Year, the gross revenues derived from services to residents, less: bad debt allowances and adjustments; contractual allowances and adjustments with third party payors; allowances and adjustments for free or reduced charge services and allowances; adjustments for discounts for prompt payment by payors.

"Note" shall mean ~~that certain~~ promissory note of the Corporation dated February 1, 2007, in the original principal amount of \$14,505,000 delivered by the Corporation to the Issuer and thereafter assigned to Trustee to evidence its Corporation's obligation to repay the Loan, in substantially the form a true and correct copy of which is attached to this Amended Loan Agreement as Exhibit "B", and any Supplemental Note.

~~"NRMSIR" means a nationally recognized municipal securities information repository, recognized by the Securities and Exchange Commission pursuant to SEC Rule 15c2-12. The name and address of each NRMSIR on the date of issuance of the 2007 Bonds are as follows:~~

Bloomberg Municipal Repositories
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
E-mail: munis@bloomberg.com

Standard & Poor's
Securities Evaluations, Inc.
55 Water Street, 45th Floor
New York, New York 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
Email: nrmsir_repository@sandp.com

DPC Data, Inc.
One Executive Drive Fort Lee, NJ 07024
Phone: (201) 387-0721
Fax: (201) 947-0107
E-mail: nrmsir@dpcedata.com

FT Interactive Data
100 William Street, 15th Floor New York, NY
10038
Attn: NRMSIR
Phone: (212) 771-6899; (800) 689-8466
Fax: (212) 771-7390
Email: NRMSIR@interactivedata.com

"Occupancy Covenant" shall have the meaning set forth in Section 7.02(b) of this Amended Loan Agreement, without regard to the provisions of Section 7.02(d) of this Amended Loan Agreement.

"Official Statement" shall mean a disclosure document by that name approved and executed by the Issuer for use in marketing the 2007 Bonds issued under the Indenture.

"Operating Expenses" shall mean the current expenses of operating the Facilities determined in accordance with Generally Accepted Accounting Principles.

"Original Loan Agreement" shall mean that certain Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 between the Issuer and the Corporation and which is recorded in Official Records Book 2870, Page 1793 of the public records of St. Johns County, Florida.

"Outstanding", in connection with Long-Term Indebtedness and Bonds, shall mean, as of the time in question, all Long-Term Indebtedness or all Bonds or all Bonds of a specified series, which Bonds have been authenticated and delivered hereunder, except:

A. Long-Term Indebtedness theretofore cancelled or required to be cancelled, including Bonds cancelled pursuant to Section 2.07 and Section 2.09 of the Indenture;

B. Long-Term Indebtedness for the discharge, cancellation, payment, redemption, retirement or purchase of which cash or Government or Equivalent Obligations, the principal of and interest on which, when due, will provide sufficient money without reinvestment to fully pay such Long Term Indebtedness (including Bonds in accordance with Article VII of the Indenture) shall have been or shall concurrently be deposited with the Trustee or other fiduciary, as applicable; provided that, if such Long Term Indebtedness is being prepaid or redeemed prior to maturity, any required notice of prepayment or redemption shall have been given or, in the case of Bonds being redeemed, provision satisfactory to the Trustee shall have been made therefor, and that if such Bonds are being purchased, there shall be a firm commitment for the purchase and sale thereof; and

C. Long-Term Indebtedness in substitution for which other Indebtedness has been accepted, including Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II of the Indenture.

"Pavilion" shall mean the 59-bed assisted living facility located on the Site and known as the Pavilion.

"Permitted Encumbrances" shall have the meaning set forth in Section 7.06 herein.

"Permitted Indebtedness" shall mean Indebtedness permitted under this Amended Loan Agreement, including, but not limited to, Section 7.07 herein.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a governmental body, any other political

subdivision, municipality or municipality authority or any other group or organization of individuals.

“Plans and Specifications” shall mean the plans and specifications, if any, for any of the Facilities, the Project or a Capital Addition prepared by the Architect.

“Project” shall mean the construction and acquisition of expansion and interior renovations to the Facilities, including a new exterior exercise and nature walkway.

“Rate Covenant” shall have the meaning set forth in Section 7.02(a) of this Amended Loan Agreement, without regard to the provisions of Section 7.02(d) of this Amended Loan Agreement.

“Rebate Deposit” shall mean the deposit to the Rebate Fund required by Section 5.5 of the Indenture.

“Rebate Fund” shall mean the Fund established by Section 5.05 of the Indenture.

“Record Date” shall mean the fifteenth (15th) day of the calendar month next preceding any Interest Payment Date, provided that if such fifteenth (15th) day is not a Business Day, the Record Date shall be the last preceding Business Day prior to the fifteenth (15th) day of the month.

“Redemption Price”, where used with respect to a Bond, shall mean the principal amount of such Bond plus accrued interest and any applicable premium, if any, payable upon redemption thereof pursuant to the Indenture.

~~“Registered Owner”, in connection with a Bond, shall mean the person or persons in whose name or names the particular Bond shall be registered on the books of the Issuer kept for that purpose in accordance with the Indenture and the Bonds.~~

“Regulatory Body” shall mean any federal, state or local government, department, agency, authority or instrumentality (other than the Issuer) and other public or private body, including accrediting organizations, having regulatory jurisdiction and authority over the Corporation or its facilities or operations.

“Renewal and Replacement Fund” shall mean the Fund established pursuant to Section 5.04 of the Indenture.

“Renewal and Replacement Fund Requirement” shall mean ~~(1) through September 2018, \$6000,000, and (2) after September 2018, \$750,000.~~ \$750,000.

~~“Repository” shall mean, collectively, the NRMSIRs and the SID, if any.~~

“Repository” shall mean each entity authorized and approved by the Securities and Exchange Commission (the “SEC”) from time to time to act as a repository for purposes of complying with the Rule (defined in Section 7.16). The Repositories approved by the SEC may be found by visiting the SEC’s website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the Municipal Securities

Rulemaking Board (the "MSRB"), which currently accepts continuing disclosure submissions through its EMMA (defined in Section 7.16) system for municipal securities disclosures.

"Reserved Rights" shall mean the rights of the Issuer under ~~this~~either the Original Loan Agreement or this Amended Loan Agreement to receive indemnification, reimbursement of expenses and advances, legal defense by the Corporation of claims against the Issuer, and the non-exclusive right of the Issuer, independently of or jointly with the Trustee, to require the Corporation to use the Mortgaged Property for a Health Care Enterprise, to receive information and reports, and to perform such functions as the Issuer in its discretion deems advisable.

"Reserve-Secured Bonds" shall mean the 2007A Bonds and each series of Additional Bonds.

"Short Term Indebtedness" shall mean Indebtedness of the Corporation maturing or payable at the option of the obligee not more than 365 days after it is incurred, excluding the current portion of any Long-Term Indebtedness.

~~"SID" means the state information depository, if any, recognized by the Securities and Exchange Commission pursuant to SEC Rule 15c2-12. The name and address of each SID on the date of issuance of the 2007 Bonds are as follows:~~

None

"Site" shall mean the realty described in Exhibit A-1 attached to this Amended Loan Agreement, together with all appurtenances thereto.

"Special Payment Date" shall mean the date established by the Trustee pursuant to the procedures set forth herein for the payment of defaulted interest on any 2007 Bond.

"Special Record Date" shall mean the date which is fifteen (15) days prior to a Special Payment Date.

"State" shall mean the State of Florida.

"Supplemental Indenture" or "indenture supplemental hereto" shall mean any indenture amending or supplementing the Indenture which may be entered into in accordance with the provisions of the Indenture.

"Supplemental Note" shall mean any promissory note delivered by the Corporation to evidence its obligation to repay a loan made by the Issuer to the Corporation from the proceeds of Additional Bonds.

"Tax Exempt Bonds" shall mean any series of Bonds originally issued with the intent that interest thereon shall be excluded from gross income for federal income tax purposes. The 2007A Bonds shall be Tax Exempt Bonds.

"Trust Estate" shall mean the interests granted by the Issuer to the Trustee pursuant to the Granting Clauses of the Indenture.

"Trustee" shall mean UMB Bank, N.A. as successor to the original trustee, The Bank of New York Trust Company, N.A., Jacksonville, Florida, a national banking association, and its successor or successors as Trustee under ~~this~~the Indenture.

"Working Capital Fund – Sale Proceeds Account" shall mean that certain account held at U.M.B. Bank, N.A. (Account No. [REDACTED]) which is maintained for the purposes of and in accordance with the provisions of Section 7.19 of this Amended Loan Agreement and Section [REDACTED] of the Indenture.

Section 1.02 Interpretation. The words "hereof", "herein", "hereto", "hereby", and "hereunder" refer to the entire Amended Loan Agreement.

Every "request", "requisition", "order", "demand", "application", "notice", "statement", "certification", "consent" or similar action hereunder by the Issuer shall, unless the form thereof is specifically provided, be in writing signed by a Person authorized to sign an Officer's Certificate of the Issuer, and any such writing or action hereunder by Trustee shall, unless the form thereof is specifically provided, be in writing signed by an Authorized Trustee Representative.

Words importing persons include firms, associations and corporations, and all words importing the singular number include the plural number and vice versa; and all words importing the masculine gender import the feminine gender and vice versa.

All words and terms used in this Amended Loan Agreement and not defined above or elsewhere herein shall have the same meanings as set forth in the Indenture, if defined therein.

Whenever in this Amended Loan Agreement any consent, permission or approval is required, such consent, permission or approval shall not be unreasonably or untimely withheld.

ARTICLE II LOAN TO CORPORATION

Section 2.01 Principal Amount of the Loan. In connection with the sale and delivery of the 2007 Bonds, the Issuer ~~agrees to make~~has made, and the Corporation ~~agrees~~has agreed to accept and repay ~~at the~~the Loan in the principal amount of \$14,505,000. The Loan ~~shall be~~is evidenced by ~~at the~~the Note ~~in the principal amount of \$14,505,000, in the form attached hereto as Exhibit "B".~~ The Corporation shall make payments in satisfaction of the Note as hereafter set forth in Article V and as provided in the Indenture. The proceeds of the Loan shall be deemed to be applied as provided for proceeds of the 2007 Bonds in Article III hereof.

Section 2.02 Issuance of Supplemental Notes. The Corporation shall issue Supplemental Notes in such principal amounts as shall be necessary to evidence further borrowing from the proceeds of any Additional Bonds issued in accordance with this Amended Loan Agreement and the Indenture.

ARTICLE III ISSUANCE OF BONDS

Section 3.01 Agreement to Issue Bonds; Additional Bonds.

(a) In order to provide funds to make the Loan to the Corporation and for the purposes of (1) reimbursing to the Corporation and the Issuer all its reimbursable Costs of issuing the 2007 Bonds and all other Costs of the Project, (2) ~~(refunding the 1997 Bonds,~~ and (3) providing working capital to the Corporation, the Issuer agrees that it will, as promptly as possible, sell and cause to be delivered to the purchasers thereof \$14,335,000 aggregate principal amount of 2007A Bonds and \$170,000 aggregate principal amount of 2007B Bonds. The proceeds from such sale, net of an amount equal to \$73,656.75, representing original issue discount on the 2007A Bonds and \$227,926.50 and \$3,825,000, representing payment of the Investment Banker's fees and expenses for underwriting the 2007A Bonds and ~~2997B~~2007B Bonds, respectively, shall be received by the Trustee for application in accordance with the provisions of Section 3.03 of the Indenture. The Corporation shall provide or cause to be provided all documents, certificates, surveys, opinions and papers required to close the sale of the 2007 Bonds and/ or required as a condition for the authentication of the 2007 Bonds.

~~(b) — The Issuer may hereafter agree to authorize and issue pari passu Additional Bonds in one or more series in accordance with applicable provisions of the Indenture, upon adoption of a resolution of the Issuer containing a finding that the issuance of the Additional Bonds is in the public interest, and further containing findings with respect to the financial ability of the Corporation and other matters as required by the Act. The Issuer may thereafter issue such Additional Bonds in one or more series, in accordance with the applicable provisions of the Indenture, provided, however, that the inability or unwillingness of the Issuer to issue Additional Bonds shall not release the Corporation from any of the provisions of this Loan Agreement, regardless of the reason therefor. Nothing herein shall be deemed to require or obligate the Issuer to issue Additional Bonds.~~

(b) With the exception of Additional Bonds issued to fully refund the 2007 Bonds, including interest through the date of full redemption, Additional Bonds may not be issued for the benefit of the Corporation without the written consent of a Majority of Bondholders, which consent may be withheld in their sole and absolute discretion.

Section 3.02 Construction of the Project and Capital Additions.

(a) Completion of Project. The Corporation shall issue a notice to proceed under any construction contract for the Project within five (5) days after issuance of the 2007 Bonds. The Corporation shall cause the Project to be substantially completed as promptly as feasible, ~~and~~ shall cause any Capital Addition to be financed with the proceeds of Additional Bonds or other Long-Term Indebtedness to be completed as promptly as feasible; and shall at its expense do or cause to be done all things necessary or proper for such completion in accordance with applicable law and regulations. Copies of all change orders with respect to the construction contracts for the Project and any Capital Addition shall be delivered to the Trustee. Prior to submission of the first requisition to be paid from the Project Fund for payment under a construction contract for total costs in excess of \$500,000, the Corporation shall deliver to the Trustee: (i) a schedule of values

showing a breakdown by each building trade and subcontract of the Costs of constructing the Project or Capital Addition, including all sitework, land improvements and other work being performed pursuant to the construction contract in addition to construction of the Project or Capital Addition and installation of fixtures and equipment; and (ii) a construction progress schedule, showing the estimated dates of substantial completion of each stage of construction (e.g., sitework, foundations, structure, electrical, rough carpentry, etc.) and the estimated date of substantial completion of the Project or Capital Addition and each phase thereof. Any revisions to such schedule of values or construction progress schedule made pursuant to change order, requisition, governmental regulation or otherwise shall be delivered to the Trustee.

(b) Disbursement of Project Fund. Disbursements from the Project Fund established under the Indenture for Costs of the Project shall be made upon receipt by the Trustee of a written requisition in substantially the forms described in Section 4.02(a) and Section 4.02(b) of the Indenture.

(c) Construction Contract Requirements. The Corporation shall provide in any construction contract for total costs in excess of \$500,000 for the Project or for any Capital Addition financed with the proceeds of Additional Bonds that if any Event of Default occurs hereunder, the general contractor agrees that such construction contract will be assigned to the Trustee at its request and the Trustee shall thereupon have the same rights under such construction contract as the Corporation thereunder; provided, however, that the Trustee shall be under no obligation to perform any action under such construction contract and shall not be liable for failure to take any such action. Any construction contract for total costs in excess of \$500,000 for the Project or Capital Addition shall provide for liquidated damages equal to the interest on the 2007A Bonds or Additional Bonds financing any Capital Addition (less any earnings on the Debt Service Reserve Fund) for the period commencing with the completion date of the Project or Capital Addition required under the construction contract and ending on the actual completion date of the Project or Capital Addition. Such liquidated damages shall be payable to the Trustee and shall be deposited in the Bond Fund to pay interest on the Bonds. Concurrently with the settlement for the Additional Bonds financing such Capital Addition, the Corporation shall execute and deliver to the Trustee a collateral assignment of its rights under all construction contracts for total costs in excess of \$500,000 and the Corporation's agreements with the Architect, related to such construction contracts, if any, such assignment to become exercisable by the Trustee only upon the occurrence of an Event of Default by the Corporation hereunder.

(d) Surety Bonds. The Corporation agrees to maintain, or cause to be maintained, in connection with any construction with respect to the Project and any Capital Addition the contracted cost of which is an amount equal to or greater than \$500,000, a surety bond or bonds with the Trustee, the Issuer and the Corporation as named obligees covering (i) performance of such contracts, including coverage for correction of defects developing within one year after completion and acceptance, and (ii) payment for labor and materials. The bond or bonds shall be executed by responsible surety companies qualified to do business in the State satisfactory to the Trustee and shall be in amounts aggregating not less than one hundred percent (100%) of the contract price. The Corporation, the Issuer or the Trustee, as the case may be, shall deposit in the Project Fund the net amounts recovered on such bonds.

(e) Insurance During Construction. In connection with the Project and any Capital Addition financed with Additional Bonds, the Corporation shall maintain or cause to be maintained:

(i) Builder's risk (or equivalent coverage) insurance upon any work done or materials furnished under construction contracts having a total cost in excess of \$500,000 except excavations, foundations and any other structures not customarily covered by such insurance, the policy for which shall (A) be issued by a responsible insurance company qualified to do business in the State and acceptable to the Insurance Consultant, (B) be written in completed value form for one hundred percent (100%) of the insurable value of the contract in the names of the Corporation, the Issuer, the Trustee, the contractor and subcontractors as their interests may appear, provided; however, that if the construction contract for the Project or any Capital Addition financed with Additional Bonds provides for the construction to be undertaken in phases, the effective date of coverage shall be the construction commencement date for each phase, (C) be in an all-risk form approved by the Corporation and satisfactory to the Insurance Consultant (and removing the occupancy restriction as of policy inception), and (D) include flood and earthquake coverage, if economically available, and transportation insurance in a sufficient amount to protect the interests of the Corporation and the contractor for loss of goods in transit to the Project;

(ii) Worker's compensation insurance and employer's liability insurance underwritten by responsible companies qualified to do business in the State and satisfactory to the Insurance Consultant, covering all employees of contractors and subcontractors in amounts required by law;

(iii) Public liability insurance maintained by the contractor on an occurrence basis in an amount not less than \$1,000,000 combined single limit, such policy to cover premises and operations, independent contractors and products and completed operations, to be endorsed with a broad form comprehensive general liability endorsement or its equivalent including at least personal injury and broad form property damage coverage, provided that the contractor shall maintain completed operations coverage for at least one year after completion of the Project or such Capital Addition;

(iv) Automobile liability insurance covering owned, non-owned and hired automobiles of the contractor in an amount not less than \$1,000,000 combined single limit; and

(v) Umbrella liability coverage covering the contractor in the amount of \$3,000,000, applying in excess of the comprehensive general liability and automobile liability insurance required above.

Section 3.03 Change Orders. The Corporation may issue change orders under any construction contract, in connection with the Project or any Capital Additions or repairs to the Mortgaged Property for which Additional Bonds are issued, provided that each such change is in writing and, if applicable, is approved by the Architect (such approval, in all cases, to include a statement that the approval of any governmental authority required in connection with the change has been obtained), approved by an authorized officer of the Corporation and filed with the

Trustee. No amendments or change orders to the Project or any Capital Additions or repairs to the Mortgaged Property for which Additional Bonds are issued which cause construction Costs to exceed the construction contract prices thereto (plus any contingencies), shall be made unless there shall have previously been filed with the Trustee the approval of the Architect, if applicable, in the form referred to above and the approval of the Corporation, and, in such case, such approval shall state that the total estimated actual cost of the Project or the Capital Additions or repairs including the change can be paid from moneys available in the Construction Fund. The Corporation shall deposit into the Construction Fund any additional funds required to enable the Architect, if applicable, to give such approval, from the general funds of the Corporation or any other moneys legally available to it, or in the form of an unconditional irrevocable letter of credit in form and substance satisfactory to the Trustee, unless the Issuer, ~~in its sole discretion~~ with the consent of Majority of Bondholders, has determined to finance such excess costs by the issuance of Additional Bonds.

Section 3.04 Corporation Required to Complete the Project and Capital Additions.

In the event the proceeds derived from the sale of the 2007 Bonds or the Additional Bonds are insufficient to pay in full all Costs of the Project or the Capital Additions for which the Additional Bonds were issued, respectively, the Corporation shall be obligated to complete the Project or such Capital Additions at its own expense and the Corporation shall pay any such deficiency and shall save the Issuer whole and harmless from any obligation to pay such deficiency. The Corporation shall not by reason of the payment of such deficiency from its own funds be entitled to any diminution or postponement or abatement of the Loan Payments hereunder, nor shall the Corporation be entitled to any reimbursement from the Trustee or the ~~Registered~~ Beneficial Owners of any of the 2007 Bonds or the Additional Bonds for any such payment.

Section 3.05 Corporation to Pursue Remedies Against Contractors and Subcontractors and Their Sureties. In the event of default of any contractor or subcontractor under any contract made by it for acquisition, construction or installation of the Project or any Capital Additions for which Additional Bonds have been issued, the Corporation will promptly proceed (subject to the Trustee's advice to the contrary), either separately or in conjunction with others, to exhaust the remedies of the Corporation against the contractor or subcontractor so in default and against his surety (if any) for the performance of such contract. The Corporation will advise the Trustee by written notice of the steps it intends to take in connection with any such default.

ARTICLE IV MORTGAGE AND SECURITY INTEREST

Section 4.01 General Obligation. This Amended Loan Agreement is a general obligation of the Corporation and the full faith and credit of the Corporation are pledged to the payment of all sums due hereunder. The Corporation hereby waives, to the extent permitted by applicable law, any and all rights which it may now have or which at any time hereafter may be conferred on it, by statute or otherwise, to terminate or cancel or to limit its liability hereunder except in accordance with the express terms hereof.

Section 4.02 Pledge. Anything to the contrary herein notwithstanding, as security for its obligation to make Loan Payments required under this Amended Loan Agreement, to make all other payments due hereunder and under the Note, and to perform all other obligations under this Amended Loan Agreement, if and so long as there shall have occurred an Event of Default under Section 8.01(a) hereof, any Gross Revenues which are then on hand and all Gross Revenues thereafter received, shall not be commingled or deposited but shall immediately, upon receipt, be paid to the Trustee and applied for the purposes specified in Article V of the Indenture, and pursuant to Section 9.11 of the Indenture.

The application by the Trustee of Gross Revenues for the purposes specified in Article V of the Indenture shall, pro tanto, reduce the Corporation's obligation to make Loan Payments under Section 5.01 hereof.

Section 4.03 Mortgage and Security Interest. To further secure the prompt payment of the Note and the performance of its other obligations hereunder, the Corporation does hereby:

(a) Grant, convey, bargain, sell, release, assign, transfer, set over, confirm and mortgage to the ~~Issuer~~Trustee the Mortgaged Property; and

(b) Grant to and create in the ~~Issuer~~Trustee a security interest in the Mortgaged Property, the Working Capital Fund, and in the Gross Revenues.

Section 4.04 ~~Assignment by Issuer.~~ ~~The Issuer, immediately following execution and delivery hereof, shall assign, without warranty or recourse, this Loan Agreement, all rights and interests granted hereunder and all amounts payable hereunder to the Trustee (except for the [Reserved Rights], IN TRUST, to be held and applied pursuant to the provisions of the Indenture. The Corporation: (a) consents to such assignment and accepts notice thereof with the same legal effect as though such acceptance were embodied in a separate instrument, separately executed after execution of such assignment; (b) agrees to pay directly to the Trustee all amounts payable hereunder, without any defense, set-off or counterclaim arising out of any default on the part of the Issuer under this Loan Agreement or any transaction between the Corporation and the Issuer; and (c) agrees that the Trustee may exercise all rights granted the Issuer hereunder.]~~

Section 4.05 Priority of Mortgage and Security Interest. The Corporation warrants and covenants that the liens of the Mortgage and security interest are first liens, subject only, as to the Mortgage, to Permitted Encumbrances, and as to the security interest, to the right of the Corporation, subject to the provisions of Section 4.02 hereof, to expend, commingle and deposit Gross Revenues not in the possession of the Trustee.

Section 4.06 Negative Pledge. The Corporation shall not grant a lien on or a security interest in any of its funds, or the investment earnings thereon, unless a parity lien or security interest is concurrently granted to the Trustee on behalf of the Bondholders.

Section 4.07 Future Advances. It is hereby agreed that the Mortgage shall also secure such future or additional advances as may be made by or on behalf of the Issuer, at its option, to the Corporation, or its respective successors in title, for any purpose permitted under the Mortgage, provided that all those advances are to be made within twenty (20) years from the date of the Mortgage, or within such lesser period of time as may be provided hereafter by law as a

prerequisite for the sufficiency of actual notice or record notice of the optional future or additional advances as against the rights of creditors or subsequent purchasers for valuable consideration. The total amount of indebtedness secured by the Mortgage may decrease or increase from time to time, but the total unpaid balance so secured at any one time shall not exceed Fifty Million Dollars (\$50,000,000), plus interest, and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property with interest on such disbursements. If, pursuant to Section 697.04, Florida Statutes, the Corporation files a notice specifying the dollar limit beyond which future advances made pursuant to the Mortgage will not be secured by the Mortgage, then the Corporation shall, within one (1) day of filing such notice, so notify the Issuer and its counsel by certified mail pursuant to the terms of this Amended Loan Agreement.

ARTICLE V LOAN AND OTHER PAYMENTS

Section 5.01 Monthly Loan Payments to Trustee. The Corporation shall pay monthly on the first day of each month to the Trustee, as assignee of the Issuer, from the first moneys of the Gross Revenues received by it in each month, Loan Payments on the Loan as follows:

(a) amounts for deposit to the Interest Account and the Principal Account which, when made in equal monthly installments, will be sufficient by the first day of the month prior to the due date of the payments to be made to the Bondholders, together with other available moneys in the Bond Fund, to enable the Trustee to make the payments of principal of, redemption premium and interest on, the Bonds when due in accordance with Section 5.01 and Section 9.02 of the Indenture;

(b) amounts for deposit to the Debt Service Reserve Fund as required by Section 5.02 of the Indenture;

(c) amounts for deposit to the Renewal and Replacement Fund as required by Section 5.04 of the Indenture;

(d) amounts, if any, of required Rebate Deposits into the Rebate Fund as required by Section 5.05 of the Indenture.

Section 5.02 Additional Payments:

(a) Even though the Corporation shall include in its Loan Payments amounts required with respect to the Debt Service Reserve Fund after any withdrawals therefrom, nothing in this Amended Loan Agreement or the Indenture shall be construed as waiving or curing an Event of Default hereunder or thereunder by reason of any withdrawal from the Debt Service Reserve Fund.

(b) From time to time, the Corporation shall make additional payments as follows:

(i) To the Issuer, an amount equal to any costs, expenses, and liabilities paid by the Issuer hereunder by reason of nonperformance in accordance with the terms hereof by the Corporation.

(ii) To the Issuer, an amount equal to expenses paid or to be paid by the Issuer or required by this Amended Loan Agreement or the Indenture and not otherwise required to be paid by the Corporation hereunder.

(iii) To the Trustee, any additional fees, charges and expenses of the Trustee, as Trustee, bond registrar, and paying agent, and of any other paying agent on the Bonds, as and when the same come due under the Indenture. The Corporation shall take all actions necessary to comply with the requirements of Section 10.04 of the Indenture.

Section 5.03 Payments of Taxes, Assessments, Site. As additional payments due hereunder, the Corporation shall pay or cause to be paid to the public officers charged with the collection thereof, promptly as the same become due, all taxes (or contributions or payments in lieu thereof), including but not limited to income or profits or property taxes which may now or hereafter be imposed by the United States of America, any state or municipality or any political subdivision or subdivisions thereof, and all assessments for public improvements or other assessments, levies, license fees, charges for publicly supplied water or sewer service, excises, franchises, imposts and charges, general and special, ordinary and extraordinary (including interest, penalties and all costs resulting from delayed payment of any of the foregoing) of whatever name, nature and kind and whether or not now within the contemplation of the parties hereto which are now or may hereafter be levied, assessed, charged or imposed or which are or may become a lien upon the Mortgaged Property or any part thereof, the use or occupation thereof or upon the owner or occupants or in respect of or upon the basis of the payments to be made hereunder or any of the estates hereby created, or upon the Corporation or the Issuer, or upon any franchises, businesses, transactions, income, earnings and receipts (gross, net or otherwise) of the Issuer in connection with the Mortgaged Property, for payment or collection of which the Issuer otherwise would be liable or accountable under any lawful authority whatever by reason of this Amended Loan Agreement, or its earnings, profits or receipts from the Mortgaged Property; provided, however, that the Corporation shall not be required to pay or discharge any tax, assessment, lien or other matter hereunder so long as the validity thereof is being contested in good faith and by appropriate legal proceedings diligently pursued and such contest does not jeopardize the ownership of the Mortgaged Property or the income, rents, issues and profits derivable therefrom or from the operation thereof. The Corporation will, upon request, provide the Issuer or the Trustee with copies of any tax returns and receipts for payments by the Corporation of taxes and assessments.

Section 5.04 Advance Payments. The Corporation may make payments in advance from time to time, on account of amounts payable hereunder. All such payments shall be made directly to the Trustee for application by the Trustee in accordance with written instructions of the Corporation not inconsistent with the provisions hereof and of the Indenture.

Section 5.05 Payments Unconditional. So long as any of the Bonds are Outstanding or sufficient moneys for the payment of the Bonds in full, including principal, interest and premium for redemption, if any, shall not be held by the Trustee pursuant to the terms of the Indenture in trust therefor, the obligation of the Corporation to make payments required hereunder and/or under the Note shall be absolute and unconditional and shall not be suspended, abated, reduced, abrogated, waived, diminished or otherwise modified in any manner or to any extent whatsoever, regardless of any rights of setoff, recoupment or counterclaim that the Corporation might otherwise

have against the Issuer or the Trustee or any other party or parties and regardless of any contingency, act of God, event or cause whatsoever and notwithstanding any circumstances or occurrence that may arise or take place after the date hereof, including but without limiting the generality of the foregoing:

(a) any damage to or destruction of any part or all of the Mortgaged Property or any of its facilities;

(b) the taking or damaging of any part or all of the Mortgaged Property or any of the facilities thereof, by any public authority or agency in the exercise of the power of or in the nature of eminent domain or by way of a conveyance in lieu of such exercise or otherwise;

(c) any assignment, notation, merger, consolidation, transfer of assets, subleasing or other similar transaction of or affecting the Corporation, whether with or without the approval of the Issuer or the Trustee.

(d) the expiration of the stated term of this Amended Loan Agreement pursuant to the provisions hereof;

(e) any failure of the Issuer or the Trustee to perform or observe any agreement or covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with this Amended Loan Agreement, the Indenture, or the Bonds;

(f) any acts or circumstances that may constitute a default by the Issuer, or a constructive taking, or a foreclosure by the Issuer or the Trustee;

(g) failure of consideration, failure of title or commercial frustration of purpose;
purpose;

(h) any change in the tax or other laws of the United States or of any state or other governmental authority; and

(i) any final determination that the interest on any Tax-Exempt Bonds is required to be included in gross income for purposes of federal income taxation.

Nothing contained herein shall be construed to prevent or restrict the Corporation from asserting any rights which it may have under this Amended Loan Agreement or any provision of law against the Issuer or the Trustee.

Section 5.06 All Payments Net. All payments and additional sums required to be paid by the Corporation hereunder shall be received by the Issuer or its assigns as net sums and the Corporation covenants to pay or cause to be paid or contest, in good faith, with the utmost diligence and without jeopardizing the receipt by the Issuer of such net sums, all charges against or which might diminish such net sums.

Section 5.07 Termination of Agreement. When interest on, and principal or the Redemption Price (as the case may be) of, all Bonds issued under the Indenture have been paid, or there shall have been deposited with the Trustee an amount evidenced by moneys or Defeasance

Obligations, which with the income earned thereon will be sufficient without reinvestment to fully pay the Bonds, as well as all other sums payable hereunder and under the Indenture to the Issuer and the Trustee: (a) no further payments shall be due hereunder and this Amended Loan Agreement shall thereupon be terminated; and (b) upon retirement of all Outstanding Bonds, the liens of the Mortgage and Security Interest created by this Amended Loan Agreement and the Indenture shall be cancelled and any moneys remaining in any Funds created under the Indenture shall be paid over to the Corporation.

Section 5.08 Prepayments of Loan; Redemption of Bonds.

(a) Notwithstanding anything to the contrary contained herein, the Corporation shall prepay the entire balance of the Loan and shall pay any additional amounts which, together with other funds on deposit with the Trustee under the Indenture and available for such purpose, are necessary to redeem all of the Outstanding Bonds and pay all other expenses required to satisfy the Indenture, and the Issuer shall redeem at the then applicable Redemption Price all of the Outstanding Bonds in accordance with the terms and upon the happening of any of the events described in Section 7.04(a)(1) or Section 7.04(b) of the Indenture.

(b) Prepayments of the Loan shall also be made from the proceeds of insurance, condemnation awards or title insurance which are not applied to the repair, reconstruction or replacement of the Mortgaged Property and are required to be used to redeem Bonds, all pursuant to Sections 7.13 and 7.14 hereof, at the times and in the amounts necessary to pay the Redemption Price and accrued interest on the Bonds redeemed to the redemption date upon the special redemption of Bonds pursuant to Section 7.04(a)(2) of the Indenture.

(c) At the written request of the Corporation delivered to the Trustee not later than sixty (60) days prior to any date on which the Bonds are subject to optional redemption, the Trustee shall in the manner prescribed in the Indenture, call for redemption such principal amount of Bonds as the Corporation may request; and the Corporation shall deliver to the Trustee for deposit in the Debt Service Fund, on or prior to such redemption date, an amount equal to the Redemption Price, of all Bonds so called for optional redemption, and, if the redemption will occur on a date other than an Interest Payment Date, sufficient funds which, together with available moneys in the Bond Fund, to pay the accrued interest to the redemption date on the Bonds being redeemed.

(d) Whenever Bonds are called for redemption pursuant to the Indenture, the Corporation shall pay to the Trustee an amount equal to the costs of Trustee in giving the redemption notice and in making the redemption.

ARTICLE VI REPRESENTATIONS AND COVENANTS OF THE CORPORATION

Section 6.01 Corporate Representations. The Corporation covenants and represents that: (a) it is a corporation not-for-profit duly organized and existing in good standing under Florida law with full power and legal right to enter into this Amended Loan Agreement and perform its obligations hereunder; (b) the making and performance of this Amended Loan Agreement on the Corporation's part have been duly authorized by all necessary corporate action and will not conflict

with or constitute a breach of or default under its Articles of ~~incorporation~~Incorporation, By-Laws or any bond, contract, indenture, agreement or any other instrument by which the Corporation or its property is bound; (c) the financing of the Facilities as provided under this Amended Loan Agreement and the business of the Corporation to be conducted at the Mortgaged Property will promote the health, safety, employment, business opportunities and general welfare of the residents of the County and the State, will aid in maintaining employment at a high level in the County and the State, and will improve the health and economic welfare of the County and the State; (d) the Corporation will continuously operate or cause to be operated the Facilities as a "health care facility", as defined in the Act, and will operate the Mortgaged Property without discrimination among residents due to race, sex, religion, creed, or national origin.

Section 6.02 Exempt Organization-

(a) The Corporation covenants and represents that as of the date of this Amended Loan Agreement:

(i) it is an organization described in Section 501(c)(3) of the Code;

(i) amounts received by it other than income from an unrelated trade or business shall be exempt from Federal income taxes under Section 501(a) of the Code; and

(iii) it has a current certificate of need issued by or on behalf of the State for all portions of the Facilities for which such a certificate is needed under State law, except as otherwise disclosed in the Official Statement.

(b) The Corporation agrees that throughout the term of this Amended Loan Agreement:

(i) it shall take whatever actions are necessary to qualify for and, upon qualification, to continue to be organized and operated in a manner which shall preserve and maintain such Federal income tax status of the Corporation; and

(ii) it shall not perform any acts nor enter into any agreements which shall cause any revocation or adverse modification of the Federal income tax status of the Corporation; and

(iii) it shall not carry on or permit to be carried on in the Mortgaged Property as a substantial part of its operation of the Mortgaged Property (or with the Gross Revenues) any trade or business the conduct of which would cause the interest paid by the Issuer on the ~~1997A~~2007A Bonds to be included in gross income for federal income tax purposes; and

(iv) it shall admit residents to the Mortgaged Property without regard to race, sex, religion, color, creed or national origin.

Section 6.03 Corporate Existence and Authority. The Corporation covenants to preserve and to maintain its existence as a not-for-profit corporation under the laws of the State, to preserve its Articles of Incorporation and By-Laws and take all other action necessary in order to preserve and maintain its authority to occupy, use and operate the Mortgaged Property and to

take all actions required now or in the future to continuously operate the Facilities as a Health Care Enterprise in the County.

Section 6.04 Operation for Health Care Enterprises. The Corporation covenants that during the term of this Amended Loan Agreement it will continuously operate, repair and maintain the Facilities or cause the Facilities to be operated, repaired and maintained solely for Health Care Enterprises.

Section 6.05 Tax Covenant.

(a) The Corporation covenants that (i) it will not take or permit to be taken any action which would result in the interest payable on any series of Tax Exempt Bonds becoming included in gross income for federal income tax purposes; and (ii) it will comply with all continuing requirements of Section 148 and all other applicable sections of the Code in order to preserve the exclusion from gross income for federal income tax purposes of interest on each series of Tax Exempt Bonds.

(b) The Corporation covenants that neither the Corporation nor any Person related to the Corporation (as defined in Section 147(a)(2) or Section 144(a)(3) of the Code) will, pursuant to a formal or informal arrangement, purchase Tax Exempt Bonds issued by the Issuer in an amount related to the amount payable under the Amended Loan Agreement, except for Tax Exempt Bonds purchased by or on behalf of the Corporation for redemption or tender to the Trustee.

(c) The Corporation covenants to provide the Issuer and Trustee with all information necessary to enable the Issuer and Trustee to timely file with the appropriate Office of the Internal Revenue Service, the information report or reports required by Section 149(e) of the Code with respect to each series of Tax-Exempt Bonds.

(d) The Corporation represents that within the meaning of Section 145(b) of the Code it is not a "test period beneficiary" with respect to more than \$150,000,000 outstanding principal amount of "tax exempt nonhospital bonds," including the 2007A Bonds.

Section 6.06 Operation and Maintenance. The Corporation covenants that throughout the term of this Amended Loan Agreement:

(a) it will pay or cause to be paid all costs and expenses in maintaining, repairing and operating the Mortgaged Property and it will continuously keep the Mortgaged Property or cause the Mortgaged Property to be kept in good repair and operating condition at its own cost; and

(b) it will pay or cause to be paid all utility and other charges incurred in the operation of the Mortgaged Property and it will pay or cause to be paid annually to the taxing bodies involved an amount equal to the ad valorem taxes and assessments for the Mortgaged Property and the Corporation agrees to remit such payments promptly to the political subdivision to which taxes and assessments would be payable. All such payments shall be in addition to the payments otherwise due hereunder. If the Corporation shall fail to pay the same, the Issuer or the Trustee may (but shall be under no obligation to), after ten (10) days prior written notice to the Corporation, pay the same and any amounts so advanced shall become an additional obligation of the

Corporation which the Corporation hereby agrees to pay upon demand. The Corporation shall provide the Trustee with timely evidence of such payment where payment is made directly to the taxing bodies involved; ~~and.~~

Section 6.07 Possession Upon Default. Upon termination hereof or of all rights of the Corporation hereunder by reason of default or Event of Default hereunder, the Corporation covenants that it shall deliver up peaceable possession of the Mortgaged Property, subject to the Lease, without delay, upon demand made by the Issuer or the Trustee at any time after such default or Event of Default; the Corporation covenants that upon such delivery, the Mortgaged Property shall be in good repair and operating condition, excepting reasonable wear and tear and damage, injury or destruction by fire or other casualty which, under terms hereof, shall not have been repaired, reconstructed or replaced.

Section 6.08 Consultants. The Corporation covenants to employ, or cause to be employed, such consultants from time to time as may be required to carry out the provisions hereof. Such consultants shall be approved as herein provided by the Trustee ~~and, at the Investment Banker, as applicable~~ direction of Majority of Bondholders, which approval ~~shall not~~ may be ~~unreasonably withheld in their sole and absolute discretion~~. As provided herein, such consultants shall initially consist of an Accountant, and an Insurance Consultant and shall include, as needed, a Management Consultant.

Section 6.09 Compliance with Laws. The Corporation covenants that all actions heretofore and hereafter taken or caused to be taken by the Corporation or by the Issuer upon the recommendation or request of any officer of the Corporation to carry out the Project, including the making of contracts, have been and will be in full compliance with all pertinent laws, ordinances, rules, regulations and orders applicable to the Mortgaged Property and the Corporation. In connection with operation, maintenance, repair and replacement of the Mortgaged Property, the Corporation covenants that it shall comply with all applicable ordinances, laws, rules, regulations and orders of the government of the United States of America, and the State and any political subdivision thereof, and any requirement of any board of fire underwriters having jurisdiction or of any insurance company writing insurance on the Mortgaged Property; provided, however, that nothing herein shall prevent or prohibit the Corporation from contesting in good faith and by appropriate proceedings the legality or reasonableness of any such standards, or the imposition of any such standards with respect to the Mortgaged Property, so long as the operation of the same or the receipt of income therefrom would not be adversely affected by reason thereof. The Corporation further covenants and represents that the construction of the Project and any Capital Addition is and will be in compliance with all applicable zoning, subdivision, building, land use and similar laws and ordinances. The Corporation covenants that it shall not take any action or request the Issuer or the Trustee to execute any release which would cause the construction of the Project and any Capital Addition to be in violation of such laws or ordinances. The Corporation acknowledges that any review by the Issuer's staff or counsel of any action heretofore or hereafter taken by the Corporation has been or will be solely for the protection of the Issuer. Such reviews shall not prevent the Issuer from enforcing any of the covenants made by the Corporation.

Section 6.10 No Prior Liens. The Corporation represents and warrants that as of the date of execution and delivery hereof there are no charges upon or liens against the Mortgaged Property and any sums received with respect to the Mortgaged Property except for the Permitted

Encumbrances and covenants not to create (unless by operation of law) any charges upon or liens against the Mortgaged Property and any sums received with respect to the Mortgaged Property, senior in priority to or on a parity with or subordinated to its obligations hereunder, except as herein specifically authorized.

Section 6.11 Financing Statements and Other Action to Protect Security Interests.

The Corporation shall cause the Amended Loan Agreement and the Indenture or a financing statement or memorandum relating thereto to be filed, registered and recorded with the Clerk of Courts of the County and the Secretary of State of the State and in such manner, and at such other location as may be required by law fully to protect the security of the Registered Beneficial Owners of the Bonds and the right, title and interest of the Trustee in and to the Trust Estate or any part thereof. Upon execution and delivery hereof, and thereafter from time to time, not less often than once every five (5) years, the Corporation shall obtain an opinion of Counsel, at the expense of the Corporation or its successor in interest, setting forth what, if any, actions by the Corporation or Trustee should be taken to preserve such security. The Corporation shall perform or shall cause to be performed any such acts, and execute and cause to be executed any and all further instruments all at the expense of the Corporation or its successor in interest as may be required by law or as shall reasonably be requested by the Trustee for such protection of the interest of the Trustee and the Bondholders, and shall furnish satisfactory evidence to the Trustee of recording, registering, filing and refiling of such instrument and of every additional instrument which shall be necessary to preserve the lien of the Indenture upon the Trust Estate or any part thereof until principal of, redemption premiums and interest on the Bonds secured under the Indenture shall have been paid. The Trustee shall execute or join the execution of any such further or additional instrument and file or join in the filing thereof at such time or times and in such places or places ~~as~~ it may be advised by the aforementioned opinion of Counsel as will preserve the lien of the indenture upon the Trust Estate or any part thereof until the aforesaid principal, redemption premium, if any, and interest shall have been paid.

Section 6.12 No Material Adverse Change in Financial Condition. The Corporation represents that, except as has been disclosed pursuant to Certificates heretofore delivered to Trustee, there have been no significant or material adverse changes in the finances or operations of the Corporation since the finances and operations of the Corporation reflected in the Corporation's application, the Feasibility Report and other supporting data submitted to the Issuer and/or to the Issuer's accountants as of January 16, 2007, wherein the Corporation requested the Issuer to approve the issuance of the 2007 Bonds and that there is no litigation pending or threatened which would materially change or affect the finances or operations of the Corporation.

Section 6.13 Regulatory Approvals. The Corporation represents that no authorization, approval, consent or licenses of any governmental Regulatory Body or authority, not already obtained, is required for the valid and lawful execution and delivery of this Amended Loan Agreement and the Note by the Corporation, for the assumption of the obligations of the Corporation represented hereby and thereby, or for the operation of the Facilities for Health Care Enterprises.

Section 6.14 Indemnification Related to Official Statement.

(a) The Corporation agrees that it will indemnify and hold harmless the Issuer, the Trustee and the Investment Banker and their respective directors, officers, agents and employees, past, present and future, and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as ~~ended~~amended, any of such parties (hereinafter collectively called the "*Indemnified Parties*"), against any and all losses, claims, damages, liabilities or expense whatsoever arising out of either: (i) any breach by the Corporation of any of its representations and warranties as set forth in Section 4 of the Bond Purchase Contract, (ii) any allegation that there is any untrue statement of a material fact contained in the Official Statement, or that the Official Statement omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; or (iii) the fact that the 2007 Bonds are not registered under the Securities Act of 1933, as amended, or that the Indenture is not qualified under the Trust Indenture Act of 1939, as amended, provided that the Corporation shall not be obligated to indemnify: (i) the Issuer with respect to information in or omissions from the Official Statement under the headings "ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY" or "LITIGATION" insofar as it relates to the Issuer; or (ii) the Investment Banker with respect to information in or omissions from the Official Statement under the heading "UNDERWRITING" or on the cover page relating, to the principal amounts, interest rates, price or yield on the 2007 Bonds.

(b) In case any action shall be brought against one or more of the Indemnified Parties with respect to the matters subject to the indemnity provided by this Section 6.14, the Indemnified Party or Parties shall promptly notify the Corporation in writing, and the Corporation shall promptly assume the defense thereof, including the employment of counsel, the payment of all reasonable expenses and the right to negotiate and consent to settlements. If the defendants in any action for which indemnity is required hereunder include both the Corporation and an Indemnified Party and such Indemnified Party shall have been advised in writing by its counsel that defenses are available to such Indemnified Party which are not available to the Corporation and that it would be inappropriate for the same counsel to represent both the Corporation and the Indemnified Party, such Indemnified Party shall have the right to employ its own counsel in such action, in which event the Corporation shall reimburse the Indemnified Party for any reasonable legal and other expenses incurred by the Indemnified Party arising out of or in connection with the defense thereof. The Corporation shall not be liable for any settlement of such action effected without its consent, but if settled with its consent, or if there be final judgment for the plaintiff in any such action with or without consent, the Corporation agrees to indemnify and hold harmless the Indemnified Party or Parties from and against any loss or liability by reason of settlement or judgment to the extent set forth in this Section 6.14. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action, and to participate in the defense thereof, but the fees and expenses of such counsel shall, other than as provided above, be at the expense of such Indemnified Party or Parties, unless the employment of such counsel has been specifically authorized by the Corporation. The indemnity provided in this Section 6.14 includes reimbursement for expenses reasonably incurred by the Indemnified Parties in investigating the claim and in defending it if the Corporation declines to assume the defense. The indemnity provided in this Section 6.14 shall survive the closing of the issuance of the 2007 Bonds.

(c) If the indemnification provided in this Section 6.14 is unavailable to an Indemnified Party in respect of any losses, claims, damages or liabilities (or actions in respect hereof) referred to herein, then the Corporation shall, in lieu of indemnifying such Indemnified Party, contribute to

the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Corporation on the one hand and the Indemnified party on the other from the offering of the 2007 Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the Indemnified Party failed to give the notice required under the preceding paragraph, then the Corporation shall contribute to such amount paid or payable by such Indemnified Party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Corporation on the one hand and the Indemnified Party on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Corporation on the one hand and the Investment Banker on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by, or for the benefit of, the Corporation bear to the total underwriting discounts and commissions received by the Investment Banker. The relative fault shall be determined by reference to among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Corporation or the Investment Banker and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Corporation and the Investment Banker agree that it would not be just and equitable if contribution pursuant to this paragraph were determined by pro-rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this paragraph. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this Section 6.14 shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this paragraph, the Investment Banker shall not be required to contribute any amount in excess of the amount by which the total price at which the 2007 Bonds distributed to the public were offered to the public exceeds the amount of any damages which the Investment Banker has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

Section 6.15 Date and Survival of Representations; Exceptions. The representations of the Corporation made in this Article VI are made as of the date of execution of this Amended Loan Agreement, and all such representations shall survive the execution and delivery of this Amended Loan Agreement.

ARTICLE VII FINANCIAL COVENANTS

Section 7.01 Maintenance of Existence; Mergers and Consolidations-

~~6.1(a)~~ The Corporation shall continuously maintain its existence as a nonprofit corporation organized and in good standing under the laws of the State, and as an organization described in Section 501(c)(3) of the Code, and will not dissolve, sell, assign, transfer or

otherwise dispose of the Mortgaged Property or all or substantially all of its assets and will not consolidate with or merge into any other entity, nor permit any other entity to consolidate with or merge into it, except as permitted in subsection (b) below.

(b) The Corporation may consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, or sell or otherwise transfer to another corporation all or substantially all of its assets as an entirety and, at the discretion of the Corporation, thereafter liquidate or dissolve, if:

(i) The Corporation is the surviving, resulting or transferee corporation, as the case may be (the "Survivor") or in the event the Corporation is not the Survivor, the Survivor (A) is a solvent not-for-profit corporation either organized under the laws of, or duly qualified to do business and subject to service of process in, the State, and is an organization described in Section 501(c)(3) of the Code, and (B) assumes in writing all of the covenants and obligations of the Corporation under this Amended Loan Agreement;

(ii) The Trustee and the Issuer receive an ~~opinion~~opinion of Bond Counsel to the effect that such merger, consolidation or transfer does not adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes;

(iii) An Accountant shall deliver to the Trustee, prior to such merger, consolidation or transfer, (i) a pro forma income statement showing that if the two corporations had been merged or consolidated at the beginning of the Fiscal Year immediately prior to such merger, consolidation or transfer, the Debt Service Coverage Ratio for the Survivor would have been at least equal to the actual Debt Service Coverage Ratio for the Corporation for the Fiscal Year immediately prior to such merger, consolidation or transfer and (ii) a pro forma balance sheet showing that if the two corporations had been merged or consolidated at the end of the Fiscal Year immediately prior to such merger, consolidation or transfer, the number of Days' Cash on Hand for the Survivor would have been at least equal to the actual number of Days' Cash on Hand for the Corporation;

(iv) The Corporation or the Survivor shall have obtained and delivered to the Trustee any consent or approval required by the State approving the change in ownership resulting from such merger, consolidation or transfer of assets, together with an opinion of Counsel that all such consents or approvals that are required have been obtained; and

(v) No Event of Default will have occurred by reason of such merger, consolidation or transfer, and no event will have occurred by reason of such transfer which, with the passage of time or giving of notice, would constitute an Event of Default.

Section 7.02 Debt Service Coverage Ratio; Occupancy Covenant; Liquidity Covenant; Account Payable Covenant.

(a) Debt Service Coverage Ratio. The Corporation covenants (the "Rate Covenant") that it will maintain a Debt Service Coverage Ratio of at least 1.25.

(i) Testing Compliance. Compliance with the Rate Covenant shall be tested: (A) quarterly, for the preceding four fiscal quarters, and (B) annually, on the basis of the Corporation's audited financial statements required pursuant to Section 7.04(b) hereof, for the preceding Fiscal Year.

(ii) Failure to Maintain Debt Service Coverage Ratio. If the actual Debt Service Coverage Ratio is less than the Debt Service Coverage Ratio required above for any quarterly or annual test date, the Corporation shall, within sixty (60) days of receipt of the report showing such deficiency, complete a report setting forth in detail the reasons for such deficiency and shall adopt a specific plan setting forth steps designed to achieve the required Debt Service Coverage Ratio by the end of the second fiscal quarter following the date such report and plan are delivered (such ratio to be determined for this purpose on an annualized basis for such second fiscal quarter). Such report and plan shall be prepared and implemented pursuant to Section 7.03(a) hereof; provided that no such report and plan will be required if a report and plan have been delivered pursuant to this subsection (a)(ii) within the last five (5) months.

(iii) New Management. The Corporation shall be required to retain a new Manager as described in Section 7.03(b), except as provided in Section 7.03(c), if:

(A) the Corporation fails to maintain a Debt Service Coverage Ratio of at least 1.0 as shown in two (2) successive quarterly unaudited financial statements; or

(B) the Corporation fails to meet the required Debt Service Coverage Ratio for the six-month period following the date a report and plan are required pursuant to subparagraph (a)(ii) above; or

(C) if an Event of Default has occurred hereunder by reason of failure by the Corporation to make any Loan Payment.

(b) Occupancy Covenant. The Corporation covenants (the "*Occupancy Covenant*") that it shall at all times maintain average occupancy of the (x) nursing beds in the Care Center of at least equal to 85%, and (y) the assisted living beds in the Pavilion of at least 85%.

(i) Testing Compliance. Compliance with the Occupancy Covenant shall be tested quarterly based on the Corporation's quarterly occupancy reports required pursuant to Section 7.04(d) hereof.

(ii) Failure to Maintain Required Occupancy. If the average occupancy of the Pavilion or the Care Center is less than required by this Section 7.02(b) for any fiscal quarter, the Corporation shall, within 60 days of receipt of the report showing such deficiency, complete a report setting forth in detail the reasons for such deficiency and shall adopt a specific plan setting forth steps designed to achieve an average occupancy rate of at least that required by this Section 7.02.(b) by the end of the six-month period following the date such report and plan are delivered. Such report and plan shall be prepared and implemented pursuant to Section 7.03(a) hereof; provided that no such report and plan will

be required if a report and plan have been delivered pursuant to this subsection (b)(ii) within the last five months.

(iii) New Marketing Agent. The Corporation shall be required to retain a new Marketing Agent as described in Section 7.03(b), except as provided in Section 7.03(c), if average occupancy of at least that required by this Section 7.02(b) is not met for the second fiscal quarter following delivery of a consultant's report pursuant to subsection (b)(ii) above.

(c) Liquidity Covenant. The Corporation covenants (the "*Liquidity Covenant*") that it shall maintain at least 30 Days' Cash on Hand.

(i) Testing Compliance. Compliance with the Liquidity Covenant shall be (A) calculated quarterly based on the Corporation's unaudited financial statements required pursuant to Section 7.04(a) hereof; and (B) for the purposes of paragraph (ii) below, tested (1) semiannually as of each March 31, based on the Corporation's unaudited financial statements required pursuant to Section 7.04(a) hereof, and (2) annually based on the Corporation's audited financial statements required pursuant to Section 7.04(b) hereof.

(ii) Failure to Meet Liquidity Covenant. If the Liquidity Covenant is not met for any fiscal quarter, the Corporation shall, within sixty (60) days of receipt of the report showing such deficiency, complete a report setting forth in detail the reasons for such deficiency and shall adopt a specific plan setting forth steps designed to achieve the Liquidity Covenant by the end of the second fiscal quarter following the date such report and plan are delivered. Such report and plan shall be prepared and implemented pursuant to Section 7.03(a) hereof; provided that no such report and plan will be required if a report and plan have been delivered pursuant to this subsection (c)(ii) within the last five months.

(d) ~~Failure to Maintain Ratios or, Occupancy Covenant Not a Default, or Liquidity Covenant.~~ Notwithstanding any other provision of this Amended Loan Agreement, the failure of the Corporation to comply with the Rate Covenant, Occupancy Covenant, or Liquidity Covenant as required by subsection (a), (b), or (c) above shall not be deemed to constitute a Default or Event of Default hereunder, so long as the Corporation takes all action within its control to comply with the procedures set forth in this Section 7.02 and Section 7.03 for retaining a Management Consultant and preparing and implementing a report and plan for correcting such deficiency and, if required by paragraph (a)(iii) or (b)(iii) above, retaining a new Manager or Marketing Agent; provided that if the Debt Service Coverage Ratio is less than 1.0, such Ratio may constitute an Event of Default with the giving of notice as provided in Section 8.01(a) hereof.

(e) Accounts Payable Covenant. The Corporation covenants (the "*A/P Covenant*") that it shall maintain accounts payable, as determined with in accordance with Generally Accepted Accounting Principles, below One Million Four Hundred Thousand Dollars (\$1,400,000) (the "Maximum A/P"). In the event the Corporation exceeds the Maximum A/P and fails to reduce its accounts payable below the Maximum A/P within ninety (90) days, the Corporation shall be deemed in default of the A/P Covenant and which constitutes an Event of Default under Section

8.01 hereunder subject to the enforcement of remedies by the Trustee pursuant to Section 8.02 hereunder.

Section 7.03 Management Reports and Plans; Retention of New Manager or Marketing Agent:-

(a) Management Reports and Plans. Whenever the Corporation is required pursuant to Section 7.02(a)(ii), 7.02(b)(ii) or 7.02(c)(ii) to complete a report for correcting a deficiency under such Sections, the governing board of the Corporation shall cause such report and plan to be prepared and shall adopt such plan within the applicable time limit prescribed by such Sections. Each such report and plan shall be prepared by a Management Consultant and must be acknowledged in writing by management (although management's concurrence in every conclusion or recommendation in the report and plan shall not be required). Each such report and plan must be in writing and contain sufficient detail to support the conclusions made concerning the reasons for the deficiency and the steps to be taken for its correction. Each such report and plan shall be implemented immediately upon its adoption, except to the extent limited by law or existing contracts. Any Management Consultant retained by the Corporation pursuant to Section 7.02 hereof may recommend (with respect to the fees, rentals, rates or charges and with respect to improvements or changes in the marketing, operations or management of or the services rendered by the Corporation) that the Corporation either (i) make no change, or (ii) make some change, even though such recommendation is not calculated to result in full compliance with the requirements of Section 7.02 hereof if, in the opinion of such Management Consultant, compliance with such recommendation should result in compliance with such requirements to the maximum extent feasible. Each such report of a Management Consultant shall take into account the Corporation's current budget and state the extent to which prior recommendations (if any) of the Management Consultant may not have been complied with by the Corporation. Copies of each such report and plan shall be sent to the Trustee, each Interested Bondholder, and (if requested by the Issuer) the Issuer. The Trustee may, but shall not be obligated to, request any Management Consultant to update its reports and to file such additional reports as may reasonably be requested by it, and to send copies thereof to the Trustee and each interested Bondholder.

(b) New Manager or Marketing Agent. Whenever the Corporation is required to retain a new Manager or Marketing Agent pursuant to Section 7.02(a)(iii) or 7.02(b)(iii) hereof, the Corporation shall immediately retain a Management Consultant who shall, within thirty (30) days of the event requiring appointment of a new Manager or Marketing Agent, submit to the Trustee a list of two or more persons experienced in the management or marketing of nursing and assisted living facilities of a type and size similar to the Facilities. The Corporation shall retain as Manager or Marketing Agent any person, nominated by the Management Consultant or by the Corporation, which is not disapproved by the Trustee. The Corporation shall also deliver an opinion of Bond Counsel prior to entering any management agreement with a third-party management firm to the effect that entering into such management agreement will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds. In the event that a new Manager is appointed by the Corporation at any time when the Debt Service Coverage Ratio is less than the Rate Covenant, or a new Marketing Agent is appointed at any time when the occupancy of the Facilities is less than is required by Section 7.02(b), the provisions of this Amended Loan Agreement shall not be applied to require the further appointment of another

Manager or Marketing Agent, as the case may be, until the new Manager or Marketing Agent has been employed for at least twelve months.

(c) Exception. Notwithstanding the provisions of Section 7.02(a)(iii), 7.02(b)(iii) or subsection (b) above, the Corporation shall not be required to retain a new Manager or Marketing Agent if the Trustee receives, within thirty (30) days of the event requiring appointment of a new Manager or Marketing Agent:

(i) a written report (prepared by a Management Consultant, but not by the Manager) containing sufficient detail to support the conclusions made therein and concluding (A) that the failure of the Corporation to comply with the Rate Covenant, or to maintain occupancy at least that required by 7.02(b), is primarily due to factors outside the control of the present Manager or Marketing Agent, as the case may be, or (B) that retaining a new Manager or Marketing Agent is not likely to materially improve the Corporation's ability to comply with such requirements; and

(ii) resolutions adopted by the Board of the Corporation stating that it has reviewed the findings and recommendations contained in the report described in (i) above, that it has concluded that the performance by the Manager, or the Marketing Agent, of its duties is satisfactory and setting forth the reasons supporting retention of the present Manager or Marketing Agent.

Section 7.04 Corporation Books and Records; Audits; Reports.—The Corporation covenants to keep accurate records and books of account in accordance with Generally Accepted Accounting Principles consistently applied and to have its financial statements examined annually by an Accountant. For so long as any Bonds are outstanding, the Corporation will provide the Trustee, any Interested Bondholder and, if requested, the Issuer with:

(a) within thirty (30) days after the close of each fiscal quarter, unaudited quarterly statements of the Corporation's operations, including (i) a balance sheet (showing the balances on deposit in each fund held under the Indenture), (ii) a statement of revenues and expenses, (iii) a calculation of compliance with the Debt Service Coverage Ratio, and (iv) cash flow statements setting forth actual cash flow for each elapsed month of the Fiscal Year and comparing budgeted to actual operations; and

(b) annual audits of its accounts audited by an Accountant within one hundred twenty (120) days of the close of each Fiscal Year, including (1) a calculation of compliance with the Debt Service Coverage Ratio and the Occupancy Covenant, (2) the balances on deposit in each fund held under the Indenture, and (3) the statement of such Accountant that in the course of its audit of the Corporation nothing has come to the Accountant's attention to lead it to believe that any default exists hereunder or, if that is not the case, specifying such default or possible default; and

(c) annual budgets for its operations and capital expenditures for each Fiscal Year, which budgets shall be prepared and delivered at least thirty (30) days prior to the start of each such Fiscal Year, and amendments thereof within thirty (30) days after board approval; and

(d) within thirty (30) days after the close of each fiscal quarter, occupancy reports indicating (A) the number of beds occupied at the beginning and at the end of such quarter, (B) the number of beds vacated during such quarter, specifying the reason each unit was vacated (including death, transfer to a health care facility or other causes); and (C) the actual occupancy of the Facilities as a percentage of capacity and showing payor mix classification with respect to nursing beds; and

(f) until such time as the Project is substantially complete, a report on the progress of the construction by no later than the fifteenth (15) day of each month, showing the dollar amount and percentage of completion for each stage of construction of the Project, comparing such amounts to the amounts estimated in the schedule of values and the construction progress schedule delivered pursuant to Section 3.02 hereof; and

(g) notice within three (3) Business Days of the occurrence of any of the events set forth in Section 7.16 hereof; and

(h) within thirty (30) days of the end of each fiscal quarter, a Corporation Certificate certifying compliance with its covenants, agreements and obligations hereunder.

Section 7.05 Transfers of Assets-

(a) Except as otherwise permitted by this Amended Loan Agreement, the Corporation may not remove, sell, lease, loan, assign, or otherwise dispose of its property, including without limitation, cash, marketable securities, accounts receivable, or any property, structures, improvements, fixtures or equipment.

(b) So long as no Event of Default has occurred and is continuing, the Corporation may from time to time:

(i) Remove, sell or otherwise dispose of property which has been replaced in the ordinary course of its business, provided that at least fifteen (15) days prior thereto, written notice shall be given to the Trustee of any such disposition of tangible property having a book value in excess of one percent (1%) of Net Property, Plant and Equipment, and the Trustee, as directed by the Majority of Bondholders, at least three (3) days prior to such disposition has not objected to same;

(ii) Sell or otherwise dispose of any tangible personal property, fixtures or equipment, provided, however, that the book value of the same shall not exceed five percent (5%) of Net Property, Plant and Equipment in any Fiscal Year; and provided, further, that the book value of property subject to such transfers for in the aggregate during the period that any three consecutive Fiscal Years as of the time in question 2007 Bonds are outstanding shall not exceed ten percent (10%) of Net Property, Plant and Equipment unless consented to by a Majority of Bondholders, which consent may be withheld in their sole and absolute discretion;

(iii) Sell or otherwise dispose of tangible personal property, fixtures or equipment at any one time having a book value in excess of five percent (5%) of Net

Property, Plant and Equipment, as set forth in a Corporation Certificate if the Corporation delivers to the Trustee:

(A) a Corporation Certificate showing that the Debt Service Coverage Ratio was at least 1.30 as of the last two (2) evaluation dates, the Liquidity Covenant was met as of the last two (2) evaluation dates, and all required deposits into the Renewal and Replacement Fund and any reserve required pursuant to Section ~~7-10~~ 7.10 hereof have been made;

(B) a Certificate of an Architect or Management Consultant (1) to the effect that such removal, sale or other disposition shall not impair the use and operation of the Facilities, (2) stating the estimated fair value, if any, of such property or interest in property, and (3) stating that arrangements have been made or can be made for sale or other disposition thereof for consideration not less than such estimated fair value; and

(C) either (1) an Accountant's Certificate demonstrating and concluding that if such transfer had been made at the beginning of the Fiscal Year, the ratio of Funds Available for Debt Service to the Maximum Annual Debt Service Requirement, as calculated for such Fiscal Year, would have been at least 90% of the actual ratio for such Fiscal Year and not less than 1.30; or (2) a Feasibility Report forecasting that the ratio of Funds Available for Debt Service to the Maximum Annual Debt Service Requirement for each of the two (2) Fiscal Years following the proposed transfer would be at least ninety percent (90%) of the actual Debt Service Coverage Ratio for the preceding Fiscal Year and not less than 1.30.

(c) The Corporation covenants that the net proceeds of any sale or other disposition made pursuant to subsection (b) above, if any, shall be applied to the replacement of the property, fixtures or equipment sold or disposed of, or shall otherwise be reinvested in the Facilities, or shall be placed in the Renewal and Replacement Fund or shall be used to redeem Bonds, and further covenants that any property, fixtures or equipment received or installed as replacements to such removed property, fixtures or equipment shall be subject to the lien and security interest herein granted. No less than sixty (60) days prior to any sale or other disposition made pursuant to subsection (b) above, if any, the Corporation shall provide written notice to the Trustee of such sale or disposition and Corporation's intended use of the net proceeds. The Majority of Bondholders may disapprove of such intended use in their sole and absolute discretion and such disapproval shall be presumed unless Trustee furnishes Corporation with written notice of the approval of the intended use prior to the date of sale or other disposition. If consent is withheld, the net proceeds shall be deposited into the Trust Estate for the 2007 Bonds as a prepayment and used for the redemption of 2007 Bonds in accordance with the Indenture.

(d) The Corporation shall not sell, lease, donate, lend, exchange or otherwise dispose of any of its intangible assets, including cash and investments to any entity, unless (A) the Liquidity Covenant was met as of the last two (2) evaluation dates; (B) the amount on deposit in the reserve, if any, required pursuant to Section 7.10 meets the requirements thereof; and (C) the Corporation delivers to the Trustee an Accountant's Certificate demonstrating that if the transfer had been made at the beginning of the prior Fiscal Year: (i) the Debt Service Coverage Ratio for

such year would have been at least 1.50 and (ii) the number of Days' Cash on Hand would have been at least 200 at the end of such Fiscal Year. The foregoing limitation shall not apply to: (1) payment by the Corporation of Operating Expenses, Debt Service Requirements on the Bonds or other Indebtedness permitted hereunder, or redemption of Bonds; or (2) transfers by the Corporation in payment for goods, property or services at market value; or (3) the making of loans to residents for their financial assistance; or (4) the expenditure by the Corporation of the proceeds of gifts, grants, bequests, donations or contributions (collectively "gifts") heretofore or hereafter made which are designated by the donor at the time made for certain specific purposes other than described in clauses (1), (2) and (3) of this sentence.

Section 7.06 Permitted Encumbrances. The Corporation shall not create or suffer to be created or exist upon the Mortgaged Property, or any other property now owned or hereafter acquired by it, any mortgage or other lien, security interest or other similar right or interest, servitude, easement, right-of-way, license, encumbrance, irregularity or defect in title, cloud on title, restriction, reservation or covenant running with the land, other than Permitted Encumbrances. For the purposes hereof, Permitted Encumbrances shall consist of the following:

(a) any lien or security interest granted in accordance with Section 7.08 hereof;

(b) any lien or security interest described in Exhibit C to this Agreement which is existing on the date hereof, provided that no lien or security interest so described or the indebtedness secured thereby may be increased, extended or renewed (which terms shall not apply to the filing of any continuation statements under the Uniform Commercial Code) or modified to spread to any property not subject to such lien or security interest on the date of this Amended Loan Agreement, except to the extent that such lien or security interest, as so extended, renewed or modified could have been granted or created under any provision of this Amended Loan Agreement;

(c) any lien or encumbrance granted to the Trustee to secure the Corporation's obligations under this Amended Loan Agreement;

(d) (1) any lease which, in the judgment of the Corporation is reasonably necessary or appropriate for or incidental to the proper and economical operation of such property, taking into account the nature and terms of the lease and the nature and purposes of the property subject thereto; provided that prior to granting any lease with respect to any portion of the Facilities or Mortgaged Property financed with tax-exempt bonds, the Corporation shall deliver to the Trustee an opinion of Bond Counsel that such lease will not adversely affect the exclusion from gross income of interest on the ~~1997A~~2007A Bonds for federal income tax purposes or any other series of Bonds, the interest on which is intended to be excluded from gross income by federal income tax purposes; and (2) resident leases for the purposes of the Bayview Project, which are subject to the Mortgage.

(e) utility, access and other easements, rights-of-way, restrictions and other minor defects, encumbrances, and irregularities in the title to any property which do not materially impair the use of such property for its intended purpose or materially and adversely affect the value thereof;

(f) any judgment lien against the Corporation so long as (i) the finality of such judgment is being contested in good faith and execution thereon is stayed, or (ii) in the absence of such a contest and stay, neither the lien and security interest of this Amended Loan Agreement nor any other property of the Corporation will be materially impaired or subject to material loss or forfeiture;

(g) any liens on any property for taxes, assessments, levies, fees, water and sewer rents, and other governmental and similar charges and any liens of mechanics, materialmen and laborers for work or services performed or materials furnished in connection with such property (i) which are not due and payable or are not delinquent, (ii) the amount or validity of which are being contested in good faith and on which execution is stayed, or (iii) the existence of which will not materially impair the pledge and security interest of this Amended Loan Agreement or subject any property of the Corporation to material loss or forfeiture;

(h) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law, affecting any property, to (i) terminate such right, power, franchise, grant, license or permit, provided that the exercise of such right would not materially impair the use of such Mortgaged Property for its intended purpose or materially and adversely affect the value thereof, or (ii) purchase, condemn, appropriate or recapture, or designate a purchaser of such property;

(i) rights reserved to or vested in any municipality or public authority to control or regulate any property or to use such property in any manner, which rights have not been violated and do not materially impair the use of such Mortgaged its intended purposes or materially and adversely affect the value thereof;

(j) liens arising under state or federal laws or regulations governing third-party reimbursement programs, in favor of residents in the Facilities with respect to moneys deposited with the Corporation or the Manager;

(k) any lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license;

(l) any lien arising by reason of deposits with, or the giving of form of security to any enable the Corporation to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with worker's compensation, unemployment insurance, old age pensions or other social security, or to share in the privileges or benefits required for institutions participating in such arrangements; and

(m) liens arising by reason of good faith deposits by the Corporation in connection with tenders, leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the Corporation to secure public or statutory obligations, or to secure or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges.

Section 7.07 Permitted Indebtedness. The Corporation covenants and agrees that it will not hereafter incur or assume (the terms “incur” and “assume”, for the purposes hereof, to mean and include the guaranteeing of, or the direct or indirect assumption of liability for, the debts of others) any indebtedness other than as permitted in this Amended Loan Agreement.

(a) Long-Term Indebtedness. If the Corporation has been in compliance with the covenants set forth in Section 7.02 above for the prior two (2) years and no Event of Default shall have occurred and then be continuing, the Corporation may incur or assume additional Long-Term Indebtedness for such lawful purposes of the Corporation as shall be specified in reasonable detail in a Certified Resolution of the Corporation; provided that, on or before the date on which any Long-Term Indebtedness, whether secured or unsecured, is to be incurred or assumed, the Corporation shall deliver to the Trustee:

(i) General Requirements - Opinion of Counsel. In all cases except for Indebtedness incurred pursuant to paragraph (v) below, an opinion or opinions of Counsel to the effect that: (A) the purpose of the Long-Term Indebtedness, as stated in the Certified Resolution of the Corporation, is one for which Long-Term Indebtedness may be incurred under this Section 7.07; (B) all conditions prescribed herein as precedent to such incurrence have been fulfilled; (C) the additional Long-Term Indebtedness has been validly authorized; (D) any consents and approvals of any regulatory bodies required in connection with the Long-Term Indebtedness or in connection with the acquisition or construction of any Capital Additions, to be financed with the proceeds of such Long-Term Indebtedness have been obtained except for such approvals as, based on consultation with the Corporation, such Counsel has no reason to believe will not be obtained in due course so as not to delay scheduled completion of construction; and (E) if the acquisition of any real property or interest therein is included in the purpose of such Long-Term Indebtedness, (1) the Corporation has or can acquire good and marketable title thereto, free of all liens and encumbrances except such Permitted Encumbrances as will not materially interfere with the proposed use thereof or (2) the Corporation has or can acquire a valid, subsisting and enforceable leasehold, easement, right of way or other interest in real property sufficient to effectuate the purpose of such Long-Term Indebtedness (which opinion may be stated in reliance on an opinion of Counsel or a title insurance policy issued by a reputable title company);

(ii) General Requirements - Architect's Certificate for Capital Additions. If the purpose of such Long-Term Indebtedness is a Capital Addition, an Architect's Certificate stating that, in the signer's opinion (A) the plans and specifications have been approved by the signer and all regulatory bodies required to approve them (specifying such regulatory bodies and (B) the contracts entered into by the Corporation and its agents (which contracts shall be specified) cover substantially all phases of the construction not being done by employees of the Corporation and (C) the contractors have furnished payment and performance bonds covering the work to be performed under such contracts naming the Corporation and Trustee as obligees;

(iii) Limit Based on Forecasted Debt Service Coverage. Except as provided in subparagraphs (iv) through (vii) below, (A) a Feasibility Report stating that the ratio of Funds Available for Debt Service to the Maximum Annual Debt Service Requirement, as

forecasted for the first three full Fiscal Years following the completion of the Capital Addition to be financed with the proceeds of the Long-Term Indebtedness or, in the case of Long-Term Indebtedness assumed or incurred for the purpose of refinancing any Long-Term Indebtedness then Outstanding or incurred or assumed for any other purpose not involving construction, the first three full Fiscal Years following the date on which it is incurred or assumed, is forecasted to be at least 1.30 for the forecast period, and (B) a Corporation Certificate showing that (1) the Debt Service Coverage Ratio was at least 1.25 for the immediately preceding Fiscal Year, (2) all payments required as of such date have been made into the Renewal and Replacement Fund, or the amount of moneys held in the Renewal and Replacement Fund is at least equal to the Renewal and Replacement Fund Requirement and (3) the Liquidity Covenant was met as of the last evaluation date; provided, that the forecast referred to in clause (A) above may be for a period of two fiscal years if the Management Consultant is professionally unable to issue a forecast for a longer period;

(iv) Limit Based on Pro-Forma Debt Service Coverage. In lieu of the Feasibility Report described in subparagraph (iii)(A) above, a Corporation Certificate which demonstrates that (1) the ratio of the Funds Available for Debt Service for the preceding Fiscal Year to the sum of the Maximum Annual Debt Service Requirements for all Bonds and Long-Term Indebtedness then Outstanding and for the Long-Term Indebtedness proposed to be incurred is at least 1.35; (2) the Debt Service Coverage Ratio was at least 1.25 for the immediately preceding Fiscal Year, (3) all payments required as of such date have been made into the Renewal and Replacement Fund, or the amount of moneys held in the Renewal and Replacement Fund is at least equal to the Renewal and Replacement Fund Requirement and (4) the Liquidity Covenant was met as of the last evaluation date;

(v) Limit Based on Net Revenue. Commencing one year after the Certificates of Occupancy has been issued with respect to the Facilities, in lieu of the requirements of paragraph (iii) or (iv) above, a Corporation Certificate showing that the proposed Long-Term Indebtedness, together with all Long-Term Indebtedness incurred pursuant to this paragraph (v) which is then outstanding and which is not covered by a Feasibility Report or Corporation Certificate delivered pursuant to paragraphs (iii) or (iv) above, does not exceed five percent (5%) of Net Revenue for the preceding Fiscal Year; and

(vi) Completion Indebtedness. In the case of Long-Term Indebtedness incurred or assumed to finance the completion of the Facilities or a Capital Addition, in lieu of the requirements of paragraphs (iii) through (v) above, so long as the scope of the Facilities is not being changed, either (A) a Corporation Certificate showing that the principal amount of the proposed Long-Term Indebtedness does not exceed ten percent (10%) of the principal amount of the Long- Term Indebtedness originally incurred to finance the Facilities or such Capital Addition or (B) a Feasibility Report stating that the forecasted Debt Service Coverage Ratio for each of the two Fiscal Years immediately following the completion of the Facilities or such Capital Addition will be not less than such forecasted Debt Service Coverage Ratio would have been had such completion indebtedness not been incurred.

(vii) Refunding Indebtedness. In lieu of the requirements of paragraphs (iii) through (vi) above, in the case of Long-Term Indebtedness incurred to refinance outstanding Long-Term Indebtedness, either (A) a Corporation Certificate showing that the Maximum Annual Debt Service Requirements on the proposed Long-Term Indebtedness do not exceed the Maximum Annual Debt Service Requirements on the Long-Term Indebtedness to be refinanced; (B) a Feasibility Report showing that for the two Fiscal Years following the issuance of such Long-Term Indebtedness, the Debt Service Coverage Ratio is forecasted to be at least the Debt Service Coverage Ratio required pursuant to Section 7.02(a).

(b) Short-Term Indebtedness. ~~The~~ With the exception of Short-Term Indebtedness outstanding as of the date of this Amended Loan Agreement, the Corporation may, from time to time, shall not incur, assume or allow to remain Outstanding at any time Short-Term Indebtedness in any amount up to fifteen percent (15%) of Net Revenue for the preceding Fiscal Year (or up to \$250,000 prior to the end of the first full Fiscal Year of operation of the Facilities). Any such Short-Term Indebtedness ~~must, for a period of at least thirty (30) consecutive days during each Fiscal Year, be less than three percent (3%) of Net Revenue for the last Fiscal Year.~~ Short-Term Indebtedness ~~in excess of such three percent (3%) limit shall be permitted to remain Outstanding only if permitted to exist under this Loan Agreement as outstanding as of the date hereof shall not be increased, extended, or renewed unless otherwise consented to by a Majority of Bondholders, which consent may be withheld in their sole and absolute discretion. Notwithstanding the foregoing, the existing Short-Term Indebtedness owing to Ameris Bank as of the date hereof may be extended and converted to Long-Term Indebtedness, as long as such indebtedness (i) does not exceed \$350,000; (ii) has a maturity date of five (5) years or less; and (iii) a level amortization schedule, without compliance with Section 7.07 above.~~

Section 7.08 Security for Permitted Indebtedness. As long as no Event of Default has occurred and is continuing, any indebtedness permitted to be incurred or assumed as provided in Section 7.07 may be secured only as hereinafter provided.

(a) Parity Indebtedness. The Corporation ~~may~~ shall not secure Long-Term Indebtedness incurred or assumed pursuant to Section 7.07 by a lien on and security interests in all or any portion of the Mortgaged Property or the Gross Revenues, secured on an equal and ratable basis with then Outstanding Bonds; ~~provided that the following conditions are satisfied, unless consented to by a Majority of Bondholders, which consent may be withheld in their sole and absolute discretion.~~

(i) ~~The Long-Term Indebtedness to be so secured shall have been incurred or assumed for any of the same purposes for which Additional Bonds may be issued under Section 3.02 of the Indenture, or for the purpose of refunding or refinancing any Outstanding Bonds or other Long-Term Indebtedness;~~

(ii) ~~The Corporation shall deliver to the Trustee the same reports, certificates and opinions which would be required under Section 3.02(b)(ii), (iii), (iv), (v), (vii), (viii) and (x) of the Indenture if such Long-Term Indebtedness were Additional Bonds and the same reports which would be required under Section 7.07(a)(iii), (iv) or (vi) hereof;~~

~~(iii) — The Long Term Indebtedness (other than Additional Bonds) shall not be secured by the moneys and investments held in any fund established under the Indenture;~~

~~(iv) — All Capital Additions so to be financed shall become part of the Mortgaged Property, subject only to Permitted Encumbrances;~~

~~(v) — Any agreement for the repayment of such Long Term Indebtedness and instruments evidencing or securing the same shall provide —~~

~~(A) — That any Event of Default shall be an event of default thereunder;~~

~~(B) — That, if any event of default shall have occurred in respect of such Long Term Indebtedness, the holder thereof shall be entitled only to such rights to exercise, consent to or direct the exercise of remedies (other than remedies relating to any funds established hereunder) as are available to the Trustee, and that all such remedies are, except as otherwise provided in this Loan Agreement, to be exercised solely by the Trustee for the equal and ratable benefit of all Bondholders and all holders of Long Term Indebtedness so secured;~~

~~(vi) — If the proposed Long Term Indebtedness is to be further secured by liens on properties and revenues other than the Mortgaged Property and the Gross Revenues, a lien of equal rank and priority shall be granted upon the same properties and revenues to secure the Bonds; and~~

~~(vii) — For the purpose only of being entitled to remedies hereunder and of consenting to or directing actions to be taken in respect to such remedies, the holders of any such Long Term Indebtedness shall be treated as Bondholders and the Long Term Indebtedness held by such persons shall be treated as Additional Bonds.~~

(b) Other Secured Long-Term Indebtedness. Any Long-Term Indebtedness incurred pursuant to Section 7.07 that has not been secured as provided under subsection (a) above may be secured as follows:

(i) by a lien on and security interest in any property or interest in property, real, personal or mixed, of the Corporation other than the Mortgaged Property or the Gross Revenues; or

~~(ii) — by a purchase money security interest in fixtures and equipment made part of the Mortgaged Property or by a security interest given to refinance a purchase money security interest; or~~

~~(iii)(ii)~~ in the case of Long-Term Indebtedness as to which there has been delivered either a Feasibility Report pursuant to Section 7.07(a)(iii) or (vi) or a Corporation Certificate pursuant to Section 7.07(a)(iv) or (vi), by a lien on and security interest in the Mortgaged Property, subordinate to the lien of the Mortgage; provided, however, that no such Long-Term Indebtedness shall be secured by the moneys and investments held in any Fund established hereunder, and any agreement securing such Long-Term Indebtedness shall provide --

(A) that any Event of Default hereunder shall be an event of default thereunder, and

(B) that, notwithstanding the occurrence of any event of default in respect of such secured Long-Term Indebtedness, the lender shall not be entitled to exercise any rights or remedies with respect to the Mortgaged Property until and unless the Trustee shall have instituted proceedings to foreclose the mortgage lien created by the Mortgage.

(c) Security for Short-Term Indebtedness and Working Capital Debt.
~~Any~~Subject to the forgoing limitations, any Short-Term Indebtedness or any Long-Term Indebtedness which is incurred for the purpose of providing working capital may be secured by a security interest on the Gross Revenues on a parity with the security interest created by this Agreement, and if so secured, the agreement for the repayment of such Short-Term Indebtedness and instruments evidencing or securing the same shall provide (i) that any Event of Default shall be an event of default thereunder, and (ii) that, if any event of default shall have occurred in respect of such Short-Term Indebtedness, the holder thereof shall be entitled only to such rights to exercise, consent to or direct the exercise of remedies as are available to the Trustee, and that all such remedies are, except as otherwise provided in this Amended Loan Agreement, to be exercised solely by the Trustee for the equal and ratable benefit of all Bondholders and all holders of Short-Term Indebtedness so secured. Any agreement for the repayment of such indebtedness and instruments evidencing or securing the same shall provide for notices to be given to the Trustee regarding defaults by the Corporation, and shall specify the rights of the Trustee to pursue remedies upon the receipt of such notice, and the sharing of the rights of the Trustee to control the exercise of remedies with the holder of such indebtedness.

Section 7.09 Management:

(a) The Corporation covenants to provide for management of the Facilities through competent and qualified persons having experience in the management of facilities similar to the Facilities. Any contract with a Manager shall provide that such contract may be terminated by the Corporation at any time, if the Corporation is required to retain a new Manager pursuant to Section 7.02 hereof. The Corporation shall not enter into any management contract, or contract for services at the Facilities, unless either (i) the term of such management or service contract is one year or less, and such contract provides for payment of compensation on a fixed-fee basis (which may include adjustment for the consumer price index); or (ii) the Corporation shall have delivered to the Trustee an opinion of bond counsel that such contract will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

(b) The Corporation agrees, and any management agreement with a third party shall provide, that fees of the Manager shall not be payable more frequently than monthly and that no more than 50% of such management fees or other compensation shall be paid to the Manager under any such management agreement for any quarter unless:

(i) all payments then required by Section ~~5.04~~101(a) hereof have been made;

the Outstanding Bonds. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the Trustee, which may be withheld in its sole and absolute discretion.

(ii) the Debt Service Coverage Ratio required pursuant to Section 7.02, as calculated after giving effect to the proposed payment of management fees, would be at least equal to the Debt Service Coverage Ratio required for such quarter; and

(iii) the Corporation would meet the Liquidity Covenant, after giving effect to the proposed payment of management fees.

Any amount of the management fee not permitted to be paid pursuant to the above limitations shall be deferred, without interest, until the next succeeding quarterly payment date on which the conditions described in clauses (i), (ii) and (iii) above permit payment of such amounts. The foregoing limitations shall not, however, be construed to prohibit the payment or reimbursement for salaries of personnel working at the Facilities in providing management services or payment of other direct expenses relating to the Facilities.

Section 7.10 Future Service. The Corporation shall cause its audited financial statements be prepared in accordance with SOP 90-8 or any successor procedure adopted by the Financial Accounting Standards Board for the calculation of unfunded future service obligations. If any audited financial statement shows any such unfunded future service obligation, the Corporation shall deliver to the Trustee a plan to meet such obligation within the period during which the related services giving rise to such obligation will be delivered to residents of the Facilities, which plan may provide for the meeting of such obligation through the establishment of reserves, revision of rents, fees and charges to residents, purchase of long-term care insurance or otherwise.

Section 7.11 Insurance to be Maintained; Insurance Consultant-

(a) Subject to the further provisions of this Section 7.11, the Corporation covenants that following completion of the Facilities (or at such earlier time as may be specified in this Section 7.11) it shall provide or cause to be provided and to maintain continuously, or cause to be maintained continuously during the term of this Amended Loan Agreement, the following types and amounts of insurance, subject to the proviso in subsection (b) below:

(i) Insurance against loss and/or damage to the Mortgaged Property under a insured policy or policies in form and amount covering such risks as are ordinarily insured against by similar facilities, including without limiting the generality of the foregoing, fire, wind, and lightning and uniform standard extended coverage endorsements, limited only as may be provided in the standard form of extended coverage endorsements at the time in use in the State. Such insurance shall be for an amount at least equal to the lesser of the replacement cost or the full insurable value of the Mortgaged Property or the principal of the Outstanding Bonds. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the Trustee, which may be withheld in its sole and absolute discretion, except that each policy of insurance required hereunder may contain a loss deductible clause specifying such sum or sums as the Corporation may determine and as are acceptable to the Insurance Consultant as the sum or sums to be deducted from the amount of loss resulting from

particular perils. The Trustee shall consent to such co-insurance or other like reductions upon approval thereof by the Insurance Consultant.

(ii) Business interruption insurance, protecting the Corporation and the Trustee, covering the Corporation's payments due under this Amended Loan Agreement, the salaries and expenses of key personnel and other minimum Operating Expenses required for the operation of the Facilities during such period or periods, not less than twelve (12) months following damage or destruction of the Mortgaged Property by one of the hazards insured against by the insurance provided for in paragraph (a)(i) above; plus additional insurance sufficient to pay the cost of providing alternative living arrangements for existing residents.

(iii) Commencing with the date of issuance of the Bonds, public liability insurance (insuring the interests of the Corporation) and automobile liability insurance, in an occurrence form, in the minimum amount of \$1,000,000 bodily injury and property damage combined single limit and aggregate where applicable; provided that so long as the Corporation is able to deliver to the Trustee on an annual basis, prior to January 1 of each year, with respect to the insurance required by this paragraph (iii) and paragraphs (vii) and (viii) below, a Certificate of an Insurance Consultant as described in paragraph (e) of this Section, insurance coverage provided through a capital insurance program with limits of \$250,000 per claim and \$750,000 annual aggregate for general and professional liability shall meet the requirements of this Section 7.11.

(iv) Fidelity bonds or employee dishonesty coverage on all officers and employees of the Corporation who collect or have custody of or access to revenues, receipts or income from the Mortgaged Property, or any funds of the Corporation, such bonds to be in such amounts as are customarily carried by like organizations engaged in like activities of comparable size and having comparable income and not unsatisfactory to the Insurance Consultant.

(v) Worker's compensation and employer's liability insurance meeting the Corporation's statutory obligations; provided, however, that if the Corporation becomes an approved self-insured, employer's liability coverage in the least \$100,000 shall be purchased.

(vi) Boiler and machinery coverage (direct damage and use and occupancy) on a replacement cost basis.

(vii) Professional liability insurance insuring the Corporation against liability for death, injury, loss or damage resulting from the rendering of or failure to render professional services, including the examination, diagnosis, treatment or care of any resident, in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate, subject to the proviso to paragraph (iii) above.

(viii) Excess liability coverage in the amount of at least either straight excess or umbrella excess, covering excess of paragraphs (iii) and (vii) to be maintained in force so that the total coverage available under each of the aforementioned paragraphs, including

this subsection, is not less than \$5,000,000 per occurrence and in the aggregate, where applicable, as excess of employer's liability, general liability, professional liability and automobile liability coverage, subject to the proviso to paragraph (iii) above.

(ix) In connection with any construction of Capital Additions, the insurance and bonds described in Section 3.02(d) and (e).

(b) The Corporation shall employ each year during the term of this Amended Loan Agreement an Insurance Consultant. All policies of insurance and bonds required by this Section 7.11 shall be in such amounts and shall contain such provisions as comply with the foregoing requirements (or, if an Insurance Consultant recommends a higher amount, in such higher amount), and in every applicable case shall contain standard mortgagee clauses; provided, however, that the Corporation shall not be required to provide insurance coverage which, in the opinion of such Insurance Consultant, is for risks not normally covered or is in excess of standard requirements, if any, for facilities similar in size, location and nature to the Facilities. All policies and bonds shall provide, so far as the same may be obtainable at reasonable cost, that coverage shall not be cancelled without thirty (30) days' prior written notice to the Trustee.

(c) All policies of insurance and bonds shall be issued by responsible insurance or bonding companies, acceptable to the Corporation and the Insurance Consultant, qualified to do business in the State and qualified under the laws of the State to assume risks covered by such policy or policies or bond or bonds and shall be non-assessable.

(d) All policies of insurance required under paragraphs (a)(i), (ii), (vi) and (ix) above shall be for the benefit of the Corporation, the Issuer (in the case of requirements under paragraph (a)(ix)) and the Trustee, as their respective interests may appear, and shall be made payable to the Trustee. The Trustee shall have the exclusive right after obtaining the advice and consent of the Corporation, and when appropriate, the Issuer, which shall not be unreasonably withheld (but after the occurrence of an Event of Default, without notice to or consent of the Corporation) to receive the proceeds from such insurance and settle and receipt for claims thereunder. Policies evidencing the insurance required by paragraphs (a)(iii), (v), (vii) and (viii) above shall be for the benefit of the Corporation. Fidelity bonds required by paragraph (a)(iv) above shall be for the benefit of the Corporation and the Trustee, as their respective interests may appear. The Corporation shall have the right to receive payments due and to receipt for claims under policies of insurance and fidelity bonds required by subparagraph (a)(iii), (iv), (v), (vii) and (viii) above. The original or a copy of each policy or bond or a certificate that the same has been issued and is currently in effect shall be delivered to the Trustee.

(e) In the event that any insurance required by this Section 7.11 is commercially unavailable at a reasonable cost or has been otherwise provided, as evidenced by a Certificate of the Insurance Consultant, the Trustee shall accept such substitute coverage, if any, as is recommended by the Insurance Consultant.

(f) In the event that the Corporation fails to maintain, or cause to be maintained, any insurance as provided in this Section 7.11, the Trustee may (but shall be under no obligation to), upon such notice to the Corporation as is reasonable under the circumstances, procure and maintain such insurance, and any amounts so advanced therefor by the Trustee shall become an additional

obligation of the Corporation secured by this Amended Loan Agreement, which amounts, together with interest thereon at two percent (2%) above the prime rate of the Trustee from the date thereof, the Corporation agrees and covenants to pay, and such payments and interest shall be considered to be additional payments hereunder.

Section 7.12 Casualty; Condemnation; Loss of Title. If the Mortgaged Property shall be wholly or partially destroyed or damaged by fire or other casualty covered by insurance required under Section 7.11(a)(i) or (vi), or if the Mortgaged Property shall be wholly or partially condemned, taken or injured by any person, including any person possessing the right to exercise the power of or a power in the nature of eminent domain or transferred to such a person, by way of a conveyance in lieu of the exercise of such a power by such person, or if any part of the Mortgaged Property shall be lost because of failure of title, the Corporation covenants that it will take all actions and will do all things which may be necessary to enable recovery to be made upon such policies of insurance or on account of such taking, condemnation, conveyance, damage, injury or loss of title in order that moneys due on account of losses suffered may be collected and paid to the Trustee. Any appraisal or adjustment of loss or damage and any settlement or payment therefor, which may be agreed upon by the Corporation and the appropriate insurer or ~~condemna~~condemnor or person, shall be evidenced to the Trustee by a Corporation Certificate. The Trustee may rely conclusively upon such Certificate.

Section 7.13 Proceeds of Hazard Insurance.

(a) Immediately after occurrence of loss or damage covered by insurance required under Section ~~7.4-111~~ (a)(i) or (vi), the Corporation shall notify the Issuer, the Architect and the Trustee thereof. The Architect promptly shall determine and advise the Issuer, the Trustee and the Corporation, in writing, whether it is practicable to repair, reconstruct or replace such damaged or destroyed or condemned or lost property and, if so, the estimated time and funds required for such repair, reconstruction or replacement; provided that the advice of the Architect shall not be required if the estimated cost of repair, reconstruction or replacement, as set forth in reasonable detail in a Corporation Certificate delivered to the Trustee is less than \$1,000,000. The proceeds of insurance required by sections 7.11 (a)(i) and (vi) shall be applied as provided in subsections (b), (c) and (d) below.

(b) If the Architect shall advise that such repair, reconstruction or replacement is practicable, and if, within ninety (90) days from the receipt of the Architect's report (or such later date as may be reasonably acceptable to the Trustee), the Corporation delivers to the Trustee:

(i) a written report of a Management Consultant stating that, in the signer's opinion, based upon information provided by the Insurance Consultant, or, if unavailable, based upon the Corporation's best judgment of the net insurance proceeds anticipated, the Corporation will have sufficient funds from the net proceeds of insurance (including business interruption insurance and other available funds) to make the payments required of the Corporation under Section 5.01(a) of this Amended Loan Agreement, to pay the cost of repairing, restoring or replacing the portion of the Mortgaged Property affected by such loss or damage and to pay all Operating Expenses until completion of the repair, reconstruction or replacement of such part of the Mortgaged Property which is affected by such loss or damage and for the first full Fiscal Year after such completion,

(ii) an executed construction contract for such work at a guaranteed maximum price or fixed price,

(iii) cash or an irrevocable letter of credit in an amount at least equal to the excess, if any, of the funds necessary for payment of the amounts due under such construction contract, over the available net insurance proceeds, and

(iv) the items described in Section 3.02(d) and (e), then the Corporation shall promptly proceed to repair, reconstruct and replace such part of the Mortgaged Property, including all fixtures, furniture, equipment and affects, to its original condition insofar as possible. The moneys required for such repair, reconstruction and replacement shall be paid: (x) from the net proceeds of insurance (other than proceeds of business interruption insurance which shall be applied as provided in paragraph (d) below) received by reason of such occurrence, which net proceeds (after deducting any reasonable expenses incurred by the Trustee or the Corporation in collecting the same, the "Net Insurance Proceeds") shall be deposited into the Project Fund and disbursed in accordance with the requisition procedure established under Section 4.02 of the Indenture, and (y) to the extent that such Net Insurance Proceeds are not sufficient, from moneys to be provided by the Corporation. Notwithstanding the foregoing, if the estimated cost of such repair, reconstruction or replacement is less than \$1,000,000, the Corporation shall not be required to deliver the items referred to in clauses (i) through (iv) above, the Net Insurance Proceeds shall be paid to the Corporation and the Corporation shall promptly proceed with such repair, reconstruction or replacement. Any Net Insurance Proceeds remaining after the completion of such repair, replacement or reconstruction shall promptly at the direction of the Authorized Corporation Representative be transferred to the Bond Fund and applied either (i) to the purchase of Bonds in the open market for the purpose of cancellation at prices not exceeding the current or first applicable optional redemption price (including premium) at which Bonds may be redeemed plus accrued interest thereon to the date of payment therefor, or (ii) to the redemption of Bonds in accordance with Section 7.04(a) of the Indenture, or (iii) to pay the principal of or interest on the Bonds at maturity, or (iv) a combination of any or all of the foregoing as is provided in such direction; provided that before any funds are applied to pay interest on the Bonds, the Trustee shall have received an opinion of Bond Counsel or a ruling of the Internal Revenue Service that such payment will not adversely affect the exclusion from gross income under Section 103 of the Code of interest paid on the Bonds.

(c) Notwithstanding the foregoing, if the Management Consultant advises that (i) the Facilities can continue to operate effectively with less than full repair, reconstruction and replacement thereof; (ii) the Corporation can continue to meet a Debt Service Coverage Ratio of 1.30 and the Liquidity Covenant will be met for a period of two Fiscal Years, and (iii) there are no deficiencies in any of the Funds established under the Indenture, then any Net Insurance Proceeds remaining after the completion of partial repair, reconstruction or replacement shall promptly be deposited in the Bond Fund and applied in accordance with the last sentence of subsection (b) above.

(d) If the Architect advises that such repair, reconstruction or replacement is not practicable, or if the Architect's report or the Management Consultant's report and the other

documents described in subsection (b) above are not delivered within the required time period, then all Net Insurance Proceeds shall be deposited in the Redemption Fund and applied to the redemption of the Bonds; provided however, that in the case of damage to or destruction of all or substantially all of the Facilities the Corporation shall pay to the Trustee an amount sufficient, together with the Net Insurance Proceeds, to redeem all Bonds Outstanding.

(e) The proceeds of business interruption insurance required by Section 7.11(a)(ii) shall be applied for the purposes described in Section 7.11(a)(ii); provided however, that if the Mortgaged Property is not to be repaired, reconstructed or replaced as provided in this Section 7.13, then the proceeds of such business interruption insurance shall be deposited in the Bond Fund and applied to the payment of the principal of and interest on the Bonds.

Section 7.14 Eminent Domain.—Immediately after the commencement of any condemnation or similar proceedings by a third party in the exercise of a power of eminent domain, or a power in the nature of eminent domain affecting the Mortgaged Property the Corporation shall notify the Issuer, the Trustee, the Architect and the Management Consultant in writing.

(a) Any such condemnation awards or other compensation received shall be applied as provided in subsections (b), (c), (d), (e) and (f) below.

(b) The proceeds of any condemnation award or other compensation paid by reason of a conveyance in lieu of the exercise of such power, with respect to all or substantially all of the Mortgaged Property (after deducting any costs or expenses incurred by the Trustee or the Corporation in collecting the same, (the "Net Condemnation Proceeds") shall be paid to the Trustee for deposit in the Bond Fund and applied to the redemption of the Bonds, and the Corporation shall pay to the Trustee prior to the redemption date any additional amount required to effect such redemption. Any Net Condemnation Proceeds received for a taking of less than substantially all of the Mortgaged Property shall be applied as provided in subsections (c), (d), (e) and (f) below.

(c) Notwithstanding subparagraph (d) below, if the estimated cost of replacing or restoring the portion of the Mortgaged Property affected by such taking or conveyance is less than \$1,000,000, the Corporation shall not be required to deliver the items referred to in subparagraph (d) below, the Net Condemnation Proceeds shall be paid to the Corporation and the Corporation shall promptly proceed to replace or restore such portion of the Mortgaged Property.

(d) If, within ninety (90) days of receipt of such condemnation award (or by such later date as may be reasonably acceptable to the Trustee), or other compensation which is greater than \$1,000,000, the Corporation delivers to the Trustee

(i) a written report of the Architect stating such Architect's estimate of the cost of replacing or restoring the portion of the Mortgaged Property taking or conveyance and

(ii) a Management Consultant's report stating that, in the signer's opinion, the Corporation will have sufficient funds from the Net Condemnation Proceeds (and from proceeds of use and occupancy insurance and other available funds) to make the payments required of the Corporation under this Amended Loan Agreement, to pay the cost of replacing or restoring the portion of the Mortgaged Property affected by such taking or conveyance and to pay all Operating Expenses until completion of the replacement or

restoration of such portion of the Mortgaged Property which is affected by such taking or conveyance and for the first full Fiscal Year after such completion,

then:

(i) The Corporation may elect to replace or restore the portion of the Mortgaged Property affected by such taking or conveyance, in which event the Corporation shall promptly proceed to replace or restore such portion of the Mortgaged Property, including any fixtures, furniture, equipment and effects, to its original usefulness and condition insofar as possible, provided that the Corporation has delivered to the Trustee (i) an executed construction contract for such work at a price not greater than the amount stated in such Architect's report and (ii) cash or an irrevocable letter of credit in an amount equal to the funds, if any, required by such Architect's report in excess of the available Net Condemnation Proceeds, and (iii) the items described in Section 3.02(d) and (e) hereof. The moneys required for such replacement or restoration shall be paid: (x) from the Net Condemnation Proceeds which shall be deposited into the Project Fund and disbursed in accordance with the requisition procedure established under Section 4.02 of the Indenture; and (y) to the extent that such proceeds are not sufficient, from moneys to be provided by the Corporation; or

(ii) The Corporation may elect to have all or part of such Net Condemnation Proceeds deposited in the Redemption Fund and applied by the Trustee to the redemption of Outstanding Bonds in direct order of maturity, and the Corporation shall pay any additional amount required to effect such redemption; or

(iii) If the reports of the Architect and the Management Consultant required by this subparagraph (d) are not delivered within the required time period, then the Net Condemnation Proceeds shall be deposited in the Redemption Fund and applied to the redemption of the Bonds, and the Corporation shall pay to the Trustee prior to the redemption date any additional amount required to ~~effect~~affect such redemption.

(e) Any Net Condemnation Proceeds remaining after the completion of such replacement or reconstruction shall promptly at the direction of the Authorized Corporation Representative be transferred to (A) the Bond Fund and applied either (i) to the purchase of Bonds in the open market for the purpose of cancellation at prices not exceeding the current or first applicable optional redemption price (including premium) at which Bonds may be redeemed plus accrued interest thereon to the date of payment therefor, or (ii) to the redemption of Bonds in accordance with Section 7.04(a) of the Indenture, or (iii) to pay the principal of or interest on the Bonds at maturity, or (iv) a combination of any or all of the foregoing as is provided in such direction; and (B) the Renewal and Replacement Fund, provided that before any funds are applied to pay interest on the Bonds, the Trustee shall have received an opinion of Bond Counsel or a ruling of the Internal Revenue Service that such payment will not adversely affect the exclusion from gross income under Section 103 of the Code of interest paid on the Bonds.

(f) Notwithstanding the foregoing, if the Management Consultant advises that (i) Facilities can continue to operate effectively with less than full replacement or restoration of the portion of the Mortgaged Property affected by such taking or conveyance, (ii) the Corporation can continue to meet a Debt Service Coverage Ratio of 1.30 and the Liquidity Covenant will be met for a period of two Fiscal Years, and (iii) there are no deficiencies in any of the Funds established under the Indenture, then any Net Condemnation Proceeds shall promptly be deposited in the Bond Fund and applied in accordance with subparagraph (e) above.

Section 7.15 Insurance Consultant's Certificate. The Corporation covenants to furnish to the Trustee on or before the date of issuance of the Bonds, and thereafter at least sixty (60) days prior to the beginning of each Fiscal Year, an Insurance Consultant's Certificate, setting forth amounts and types of insurance then in force with respect to the Mortgaged Property and the operation thereof, stating whether in the opinion of such Consultant, such insurance then in force is in compliance with such Consultant's recommendations made in fulfillment of the requirements of Section 7.11, and stating the amounts and types of insurance which it would recommend be maintained during the next ensuing Fiscal Year to meet the requirements of Section 7.11. The Corporation covenants to maintain such amounts and types of insurance as recommended by the Insurance Consultant.

Section 7.16 Continuing Disclosure. The Corporation covenants that, in compliance with Rule 15c2-12(b)(5) (the "Rule") of the Securities Exchange Act of 1934, it will provide to the Trustee the following:

(a) within thirty (30) days after the close of each fiscal quarter, unaudited quarterly statements of the Corporation's operations, including (i) a balance sheet (showing the balances on deposit in each fund held under the Indenture), (ii) a statement of revenues and expenses, (iii) cash flow statements setting forth cash flow for each elapsed month of the Fiscal Year and comparing budgeted to actual operations, and (iv) a calculation of compliance with the Rate Covenant and Liquidity Covenant;

(b) within thirty (30) days after the close of each fiscal quarter, occupancy reports indicating the actual occupancy of type of bed or unit in the ~~Corporation's facilities~~ Facilities as a percentage of capacity, showing whether the Occupancy Covenant was being met, and showing payor mix classification with respect to nursing beds;

(c) within one hundred twenty (120) days after the close of each Fiscal Year, annual financial statements prepared in accordance with ~~generally accepted accounting principles~~ Generally Accepted Accounting Principles consistently applied and audited by an Accountant including a statement of the balances on deposit in each fund and account held under the Indenture, together with (i) a calculation of compliance with the Rate Covenant, the Occupancy Covenant and the Liquidity Covenant during the preceding Fiscal Year, (ii) the statement of such Accountant that in the course of its audit of the Corporation nothing has come to the Accountant's attention to lead it to believe that any default exists under the Amended Loan Agreement or, if that is not the case, specifying such default or possible default, and (iii) an update of the financial information and operating data set forth under the heading "ST. JOHNS COUNTY WELFARE FEDERATION, - Utilization" in the Official Statement for such Fiscal Year generally in the same format as such information or data is presented in the Official Statement;

(d) within three (3) Business Days of becoming aware of any such event ("Material Event"), notice of any of the following events ~~with respect to the 2007 Bonds, if such event would be material to the holder or any prospective holder of a 2007 Bond:~~

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financing difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2007 Bonds, or other material events affecting the tax exempt status of the 2007 Bonds;
- (7) Modifications to rights of holders of 2007 Bonds;
- (8) 2007 Bond calls and tender offers;
- (9) Defeasance;
- (10) Release, substitution, or sale of property securing payment of the 2007 Bonds; ~~and~~
- (11) Rating changes;

~~(e)~~ (12) Bankruptcy, insolvency, receivership or similar event of the Corporation (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Corporation in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Corporation, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Corporation);

(13) The consummation of a merger, consolidation, or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(14) Appointment of a successor or additional Trustee or the change of name of the Trustee;

(15) Incurrence of a financial obligation (which term for the purposes of this Section 7.16(d)(15) – (16) shall be defined as provided in the Rule) of the Corporation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Corporation, any of which affect holders of the 2007 Bonds; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Corporation, any of which reflect financial difficulties. (e) within three (3) Business Days of becoming aware of any such failure, notice of the failure of the Corporation to provide any information required to be provided by it under paragraphs (a)-(e) above; and

~~If permitted by rules of the Securities and Exchange Commission, the Corporation may meet its obligation to deliver any report or notice required pursuant to this Section 7.16 to the Repositories, by sending the same electronically to the Central Post Office, Disclosure USA, created by the Municipal Advisory Council of Texas at www.DisclosureUSA.org, and requesting that such report or notice be transmitted to the Repositories.~~

Any report or notice provided pursuant to this Section 7.16 to the Repository through EMMA shall be in an EMMA Compliant Format.

The Corporation agrees that the provisions of this Section 7.16 shall be for the benefit of the ~~holders of the Bonds~~ Bondholders, and shall be enforceable by any ~~beneficial owner~~ Beneficial Owner (defined in the Indenture) of the Bonds in an action for specific performance against the Corporation.

This Section 7.16 may be amended to the extent required or permitted by SEC Rule 15c2-12, or in connection with a change in the identity, nature or status of the Corporation, or the type of business conducted by it; provided that any such amendment either (i) does not materially impair the interests of Bondholders, in the determination of the Trustee (which may be based on an opinion of counsel); or (ii) is approved by ~~the holders of a majority in aggregate principal amount of the 2007 Bonds~~ Majority of Bondholders (defined in the Indenture).

Section 7.17 Covenant to Renew Lease. The Corporation covenants to timely exercise its options to renew the Lease and to perform its obligations under the Lease while any Bonds are Outstanding.

Section 7.18 Covenant to Assign Management Contracts. The Corporation covenants that it will assign to the Trustee its interests in all future management contracts, by assignment in form similar to the Assignment of Management Contract.

Section 7.19 Working Capital Fund. The Corporation covenants and agrees that it shall establish and maintain (i) a Working Capital Fund, in which a "Sale Proceeds Account" shall be established into which net proceeds offrom the 2007A Bonds will be sale of Buckingham Smith shall be deposited upon issuance and used in accordance with Section 5.03 of such Bonds, and the

Amended Indenture, and (ii) a "General Account" will be established into which the Corporation will deposit cash and investments not needed for other immediate purposes. ~~The Subject to the consent of a Majority of Bondholders, which consent may be withheld in their sole and absolute discretion, the~~ Corporation ~~shall~~may utilize the money in the Working Capital Fund ~~in its discretion~~ to pay for the needs of the Corporation, including operating expenses, capital items, debt service or for other exempt purposes of the Corporation. The money in the Working Capital Fund shall ~~not~~ be subject to a lien securing the Bonds.

ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES

Section 8.01 Events of Default. ~~The~~Each of the following events shall constitute an ~~"Events"~~Event of Default" under this Amended Loan Agreement:

(a) if the Corporation fails to make any payment required by Section 5.01 hereof, or by the Note or Indenture, within fifteen (15) days of the date when the same shall become due and payable; provided, further, that a withdrawal from the Debt Service Reserve Fund caused by a default by the Corporation of its payment obligations under this Amended Loan Agreement shall not be deemed to cure such default; or

(b) if the Corporation fails to make any other payment required hereby and such failure continues for thirty (30) days after the Trustee or the Issuer gives notice that such other payment is due and unpaid; or

(c) if the Corporation fails to perform any of its other covenants or conditions under this Amended Loan Agreement or the Indenture or fails to perform any of its obligations hereunder or under the Indenture and such failure continues for thirty (30) days after the Issuer or the Trustee, as the case may be, gives the Corporation notice thereof; ~~provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such thirty (30) day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as, the Corporation shall commence such performance within such thirty (30) day period, shall diligently and continuously prosecute the same to completion and shall advise the Issuer and the Trustee of the status of such corrective action at least once every thirty (30) days; or~~

(d) if the Corporation shall be in default in respect of any payment or other obligation relating to any Permitted Indebtedness having an outstanding principal balance (or in the case of capitalized leases, a present value of future rental payments) in excess of \$200,000, if the existence of such default entitles the holder of the instrument evidencing such Permitted Indebtedness to accelerate the repayment of such Permitted Indebtedness; or

(e) there is an Event of Bankruptcy; or

(f) if any proceedings are commenced by or against the Corporation (or its successors or assigns) under any of the laws, regulations or proceedings resulting from an Event of Bankruptcy, which might provide for, or result in, a materially adverse modification of the obligations of the Corporation under this Amended Loan Agreement; or

(g) if the Corporation or its Survivor loses its status as a qualified tax-exempt organization under Section 501(c)(3) of the Code; or

~~(h) — if an Event of Default occurs under the Indenture, then and at any time thereafter while such Event of Default is continuing, the Issuer or the Trustee may (but shall not be obligated to do so), in addition to its other remedies at law or equity or provided for in the Indenture or this Loan Agreement, by notice to the Corporation specifying the Event of Default, (i) subject to Section 8.03 hereof, enter upon, take and maintain actual possession of the Mortgaged Property, or any part thereof, together with all records, documents, books, papers and accounts of the Corporation relating thereto, and may, as attorney in fact or agent of the Corporation or in its own name, hold, manage and operate the Mortgaged Property and collect the amounts which shall be or become payable by reason of such operation, or (ii) take any or all lawful action permitted by the laws of the State to foreclose the Mortgage upon the Mortgaged Property or the Security Interest granted hereunder, or (iii) take any or all other lawful action to enforce the rights of the Issuer or the Trustee hereunder. Anything in this Loan Agreement to the contrary notwithstanding, if, on any default by the Issuer under the Indenture caused directly or indirectly by the occurrence of an Event of Default by the Corporation hereunder, the Trustee under the Indenture shall, pursuant to Section 9.02 thereof, declare the principal of the then outstanding Bonds immediately due and payable and if such acceleration is not annulled as therein provided, then there shall become immediately due and payable hereunder and under the Note as liquidated damages of the Issuer under this Loan Agreement an amount equal to all amounts then due and payable by the Issuer under said Section 9.02 of the Indenture. Until said amount is paid by the Corporation at the time or times and in the manner required to permit the Issuer to meet its obligations pursuant to the Indenture, the Issuer and the Trustee shall continue to have all of the rights, powers and remedies herein set forth, and, for such time as may be necessary to enable the Issuer to satisfy in full its obligations under the Indenture, the term of this Loan Agreement shall be extended so long as the Issuer or the Trustee elects to so extend, and the Corporation's obligations hereunder shall continue in full force and effect. Nothing in this Section 8.01 shall be deemed to relieve the Corporation from paying all sums owed under this Loan Agreement, the Note or the Indenture whether such sums accrue or become due before or after acceleration.~~

(h) if the Corporation exceeds the Maximum A/P and fails to reduce its accounts payable as required by Section 7.02(e); or

(i) if an Event of Default occurs under the Indenture.

Section 8.02 Remedies. If an Event of Default occurs under Section 8.401 hereof, the Issuer and the Trustee (as the Issuer's assignee) shall have the right to all remedies available at law or equity, including the right to exercise any or all of the following remedies:

(a) The Issuer or the Trustee may enter upon, take possession, hold, store, use, manage, control, maintain and operate the Mortgaged Property for a term not extending beyond the term hereof without any claims by the Corporation for waste or other damage and may receive all of the income, rents, profits, revenues and other moneys thereafter receivable in respect of such operation of the Mortgaged Property, whether receivable in respect of the operation of the Mortgaged Property prior to or after the entry by the Issuer or the Trustee upon the Mortgaged Property. Such entry shall not operate to release the Corporation from any sums or duties to be

paid or performed under this Amended Loan Agreement for the full term hereof. From time to time, the Issuer or the Trustee may, without limitation thereto: (a) make such repairs, renewals, replacements, additions, betterments and improvements to the Mortgaged Property and purchase or otherwise acquire such additional fixtures, personalty and other property as it deems reasonably necessary to place the Mortgaged Property in good order and condition; (b) obtain and maintain insurance on the Mortgaged Property; and (c) manage and operate the Mortgaged Property and exercise all rights ~~And~~ powers with respect thereto in its own name or otherwise. The Corporation shall be liable to the Issuer, or the Trustee, as the case may be, for all expenses incurred by the Issuer or the Trustee in connection with its entry upon and its Operating Expenses in respect of the Mortgaged Property, and the exercise of all rights and powers provided in this Section 8.02. Without limiting the generality of the foregoing, the Corporation shall be liable to the Issuer, or the Trustee, as the case may be, for the compensation for services of all persons employed by the Issuer or the Trustee in the exercise of the foregoing rights and powers, any taxes, assessments and other charges paid by the Issuer or the Trustee, and the reasonable compensation and expenses of counsel to and agents of the Issuer and the Trustee. If, at any time the sums realized by the Issuer, and the Trustee, as the case may be, from its operation of the Mortgaged Property are insufficient to satisfy the sums payable under this Amended Loan Agreement, the Corporation shall pay such amounts at such times as are determined by the Issuer or the Trustee to be necessary to satisfy the sums payable thereunder. If the sums realized from such operation are in excess of the sums payable under this Amended Loan Agreement, the Issuer or the Trustee, as the case may be, shall pay the amount of any such excess of the Corporation.

(b) The Issuer or the Trustee may enter the Mortgaged Property, ~~and may~~ let the Mortgaged Property or any part thereof for a term which may extend beyond the term hereof, and receive the rent therefor, upon such terms as shall be satisfactory to the Issuer or the Trustee, as the case may be. Such entry and letting shall not operate to release the Corporation from any sums to be paid or covenant to be performed under this Amended Loan Agreement during the full term hereof. For the purposes of any such letting, the Issuer or the Trustee shall be authorized from time to time, without limitation thereto: (a) to make, or cause to be made, such repairs, renewals, replacements, additions, betterments, improvements or alterations in or to the Mortgaged Property and to purchase or otherwise acquire, or cause to be purchased or acquired, such additional fixtures, personalty and other property as it may deem necessary to place the same in good order and condition, (b) to obtain and maintain or cause to be obtained and maintained insurance on the Mortgaged Property; and (c) to cause the Mortgaged Property to be managed and operated and to exercise all rights and powers with respect thereto in its own name or otherwise. The Corporation shall be liable to the Issuer or the Trustee, as the case may be, for the cost of such entry, repairs, renewals, replacements, additions, betterments, improvements, alterations and acquisitions and all expenses of such letting. If the sums realized or to be realized from such letting are insufficient to satisfy the sum payable under this Amended Loan Agreement, the Issuer or the Trustee, at its option, may require the Corporation to pay such deficiency month by month, or may hold the Corporation liable in advance for the entire deficiency to be realized during the term of the letting of the Mortgaged Property. If the sums realized or to be realized from such letting are in excess of the sums payable under this Amended Loan Agreement, the Issuer or the Trustee shall pay the amount of such excess to the Corporation.

(c) Upon application to a court of competent jurisdiction, the Issuer or the Trustee shall be entitled, without regard to the adequacy of the security for the sums secured by this Amended

Loan Agreement or the solvency of the Corporation, to the appointment of a receiver to receive the Gross Revenues of the Corporation and to take possession of and to operate the Mortgaged Property and to collect the rents, profits, revenue, income and other moneys received from such operation. Upon demand, the Corporation shall pay to the Issuer or the Trustee, as the case may be, all expenses including receiver's fees, costs and agent's compensation, incurred pursuant to the provisions of this Section 8.02, and all such expenses shall be secured by this Amended Loan Agreement.

(d) The Issuer or the Trustee may, with or without entry, sell or dispose of any personal property and fixtures included in the Mortgaged Property or any portion thereof, either as a whole or in parcels, in public or private proceedings separate from the sale of the real property, and may, with respect to such personal property and fixtures, exercise any other rights and remedies of a secured party under the Florida Uniform Commercial Code with respect to the fixtures and tangibles and intangible personal property which are or become part of or are related to or arising from the Mortgaged Property. The Issuer or the Trustee may deal with such fixtures and personal property as collateral under said Uniform Commercial Code or as a part of the realty mortgaged hereunder or in part one and in part the other. Notice in accordance with Section 9.09 mailed to the Corporation at least ten (10) days before an event shall constitute reasonable notification of such event under the Florida Uniform Commercial Code. Such sale or other disposition shall forever bar the Corporation and all persons claiming under it from all right and interest in the property so disposed of whether at law or in equity.

(e) The Issuer and the Trustee shall have the right to require an accounting by the Corporation of all Gross Revenues received by the Corporation during any period of default, and all sums disbursed from the Working Capital Fund and shall have the right to demand and receive all Gross Revenues in accordance with Section 4.01 hereof as well as all sums in the Working Capital Fund.

(f) The Issuer and the Trustee may accelerate and declare immediately due and payable all sums and obligations owing by the Corporation under this Amended Loan Agreement, the Note, and the Indenture; provided, however, that the acceleration may be rescinded upon receipt by the Trustee of direction representing a Majority of Bondholders.

(g) The Issuer or the Trustee may take such other action at law or equity to protect and enforce its rights hereunder and the lien and interest hereof as it deems advisable, including, without limitation: (a) the foreclosure hereof, subject, at the option of the Trustee, to the rights of any lessees of the Corporation or other persons in the Mortgaged Property or any portion thereof, and in any such foreclosure proceeding, the Corporation shall not assert, as a defense, that the Issuer or the Trustee failed to foreclose any such rights adversely affecting the value of the Mortgaged Property; and (b) the sale of the Mortgaged Property, in a foreclosure proceeding, in one or several parcels, at the option of the Issuer or the Trustee, as the case may be, and without obligation to have the Mortgaged Property marshaled.

Section 8.03 Waiver of Exemption, No Waiver Implied. As part of the consideration for this Amended Loan Agreement, the Corporation hereby waives any applicable exemption laws now or hereafter in force. No failure by either party to insist upon strict performance hereof, or to exercise any remedy upon the occurrence of an Event of Default, or any course of dealing between

the parties shall constitute a waiver of such default, or a waiver or modification of any provision hereof. Upon the occurrence of an Event of Default, subject to Section 8.02 above, the Issuer or the Trustee may exercise any one or more of the remedies available to it separately or concurrently and as often as required to enforce the Corporation's obligations. In addition to the other remedies provided herein, the Issuer or the Trustee shall be entitled to restraint by injunction of the violation, or attempted or threatened violation by the Corporation of any of the covenants, conditions or provisions hereof, or to a decree compelling specific performance of any of such covenants, conditions or provisions.

Section 8.04 Rights and Remedies of the Issuer:

(a) All rights and remedies herein given or granted to the Issuer and the Trustee are cumulative, nonexclusive and in addition to any and all rights and remedies that the Issuer and the Trustee may have or be given by reason of any law, statute, ordinance or otherwise.

(b) With respect to any amounts payable by the Corporation to the Issuer or Trustee hereunder, the Issuer and Trustee shall have, in addition to any other rights and remedies, the same rights and remedies as are provided by law and in this Amended Loan Agreement in the case of default by the Corporation in the payment of amounts due.

ARTICLE IX MISCELLANEOUS

Section 9.01 Receipt of Indenture. The Corporation acknowledges ~~that received its receipt of~~ an executed copy of the Indenture, and accepts and agrees to the provisions thereof, and agrees that it will take all such actions as are required or contemplated of it under the Indenture to preserve and protect the rights of the Trustee and of the Bondholders thereunder and that it will not take any action which would cause a default or Event of Default thereunder. It is agreed by the Corporation and the Issuer that all redemption of Bonds prior to maturity shall be ~~effected~~affected as provided in the Indenture. The Corporation hereby agrees that its interest in the Mortgaged Property and its rights hereunder are subject to and subordinated to the interest and rights of the Trustee under the Indenture and acknowledges that the Trustee has entered into the Indenture in reliance upon the assignment to the Trustee of the Issuer's rights under this Amended Loan Agreement.

The Corporation covenants that it will perform all of the Issuer's obligations and covenants under the Indenture including, but not limited to, the covenants and obligations of the Issuer set forth in the Habendum Clause and Articles IV, V, VII and VIII of the Indenture, to the extent that they can be performed by the Corporation thereunder. The Corporation further agrees that it will reimburse the Issuer or Trustee, as the case may be, for any expenses incurred in the administration of any of the foregoing agreements and this Amended Loan Agreement and will hold the Issuer or Trustee, as the case may be, harmless from any liabilities thereunder.

Section 9.02 Additions are Part of Mortgaged Property. The Issuer and the Corporation agree that all repairs, renewals, replacements, improvements, additions and extensions, extraordinary repairs and Capital Additions, or property in the nature thereof, which shall be made or acquired by the Issuer or the Corporation during the term hereof in connection

with the Mortgaged Property, forthwith shall become part of the Mortgaged Property and mortgaged to the Issuer as part thereof; and the Corporation agrees to execute such instruments as may be required, from time to time, by the Issuer to effect the foregoing.

Section 9.03 Advances by Issuer or Trustee. If the Corporation at any time fails (a) to pay any taxes or other impositions payable by it hereunder or (b) to take out, pay for, maintain or deliver any of the bonds or insurance or surety policies provided for herein; or (c) within the time provided for in Article VIII after the notice therein specified of any Event of Default, as therein defined, has been given thereunder, to make any other payment or perform any other act on its part to be made or performed, then the Issuer or the Trustee may, but shall not be obligated so to do, and without further notice to or demand upon the Corporation and without waiving or releasing the Corporation from any of its obligations in this Amended Loan Agreement contained, (i) pay any taxes or other impositions payable by the Corporation hereunder, (ii) take out, pay for and maintain any of the insurance policies provided for hereunder, or (iii) make any other payment or perform any other act on the Corporation's part to be made or performed as in the Amended Loan Agreement provided. All sums so paid by the Issuer or Trustee and all necessary incidental costs and expenses in connection with the performance of any such act by the Issuer or Trustee shall be payable to the Person making such advance, on demand or at the option of the Person making such advance may be added to any installment payment then due or thereafter becoming due under this Amended Loan Agreement, and the Corporation covenants to pay any such sums.

Section 9.04 Provisions Separable. If any term or provision hereof or the application thereof for any reason or circumstances shall to any extent be held to be invalid or unenforceable, the remaining provisions or the application of such term or provision to persons other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision hereof shall be valid and enforced to the fullest extent permitted by law.

Section 9.05 Issuer and Trustee Not Accountable. In the exercise of the power of the Issuer and ~~its~~Trustee and their respective members, officers, employees and agents, past, present or future, hereunder including (without limiting the foregoing) the execution of documents, the application of moneys, the investment of funds, and the letting or other disposition of the Mortgaged Property in the event of default by the Corporation, neither the Issuer, Trustee nor ~~its~~their respective members, officers, employees, or agents, past, present or future, shall be accountable to the Corporation for any action taken or omitted by ~~it~~them or ~~its~~their members, officers, employees and agents, past, present or future, in good faith and believed by ~~it~~or any of them to be authorized or within the discretion or rights or powers conferred. The Issuer, Trustee and ~~its~~their respective members, officers, employees and agents, past, present or future, shall be protected in ~~its~~or their acting upon any paper or document believed by ~~it~~or any of them to be genuine, and ~~it~~or they may conclusively rely upon the advice of Counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the Corporation for any claims based hereon or on the Indenture against any member, officer, employee or agent, past, present or future, of the Issuer or Trustee alleging personal liability on the part of such person unless such claims are based upon the bad faith, fraud or deceit of such person.

The Corporation will indemnify and hold harmless the Issuer, Trustee and each member, officer, employee and agent, past, present or future, of the Issuer or Trustee, respectively, against

any and all claims, losses, damages or liabilities, joint and several, to which the Issuer, Trustee, or any member, officer, employee or agent, past, present or future, of the Issuer or Trustee, respectively, may become subject, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of the Mortgaged Property, the Bonds, ~~this~~ the Original Loan Agreement or this Amended Loan Agreement, or the Indenture or are based upon any other alleged act or omission in compliance with the Mortgaged Property, the Bonds, ~~this~~ the Original Loan Agreement or this Amended Loan Agreement, and the Indenture by the Issuer or the Trustee unless the losses, damages or liabilities arise from a final determination of malfeasance in office, bad faith, fraud or deceit of the member, officer, employee or agent of the Issuer or the Trustee, as the case may be, to be indemnified. In the event any claim is made or action brought against the Issuer, Trustee, or any member, officer, employee or agent, past, present or future, of the Issuer or the Trustee, the Issuer or the Trustee, as the case may be, may direct the Corporation to assume the defense of the claim and any action brought thereon and pay all reasonable expenses (including attorney's fees) incurred therein; or the Issuer or the Trustee, as the case may be, may assume the defense of any such claim or action, the reasonable costs (including attorney's fees) of which shall be paid by the Corporation; provided, however, that counsel selected by the Issuer or the Trustee, as the case may be, to conduct such defense shall be approved by the Corporation, which approval shall not be unreasonably withheld, and further provided that the Corporation may engage its own counsel to participate in the defense of any such action. The defense of any such claim shall include the taking of all actions necessary or appropriate thereto.

Section 9.06 References. A reference herein to a statute or to a regulation issued by a governmental agency includes the statute or regulation in force as of the date hereof, together with all amendments and supplements thereto and any statute or regulation substituted for such statute or regulation, unless the specific language or the context of the reference herein clearly includes only the statute or regulation in force as of the date hereof.

A reference herein to a governmental agency, department, board, commission or other public body or to a public officer includes an entity or officer which or who succeeds to substantially the same functions as those performed by such public body or officer as of the date hereof, unless the specific language or the context of the reference herein clearly includes only such public body or public officer as of the date hereof.

Section 9.07 Governing Laws. Laws of the State shall govern construction hereof.

Section 9.08 Amendments. The parties hereto, from time to time, may enter into any amendments hereto (which thereafter shall form a part hereof) as shall not adversely affect the rights of or the security of the Bondholders, only for the following purposes:

- (a) to cure any ambiguity, defect or omission herein or in any amendment hereto or to supplement any provision hereof; or
- (b) to reflect a change in applicable law.

All other amendments must be approved by the Trustee and, if the Indenture must be amended with Bondholders' consent, the Bondholders in the same manner and to the same extent as is set forth in Section 12.02 of the Indenture.

Section 9.09 Notices. All notices required or authorized to be given by the Corporation, the Issuer, or the Trustee pursuant to this Amended Loan Agreement shall be in writing and shall be sent by registered or certified mail, postage prepaid, to the following addresses:

to the Corporation to:

St. Johns County Welfare Federation
161B Marine Street
St. Augustine, Florida 32084

to the Issuer to:

St. Johns County Industrial Development Authority
c/o Clerk of Courts
St. Johns County Courthouse
St. Augustine, Florida 32095

to the Trustee to:

~~The UMB Bank of New York Trust Company, N.A.~~
~~c/o Christine W. Hutchinson~~ Gavin Wilkinson, Esq.
~~Senior Vice President, Corporate Trust Division~~
~~10161 Centurion Parkway~~
~~Jacksonville, Florida 32256~~
120 South Sixth Street, Suite 1400
Minneapolis, MN 55402

or to such other addresses as may from time to time be furnished to the parties, effective upon the receipt of notice thereof given as set forth above. Each of the above agrees that it shall send a duplicate copy or executed copy of all certificates, notices, correspondence or other data and materials sent one of the above to the other parties.

Section 9.10 Counterparts. This Amended Loan Agreement may be executed in multiple counterparts, and such counterparts shall constitute but one and the same instrument; provided, however, that the counterpart held by the Trustee shall be deemed the original.

Section 9.11 Headings for Convenience. Any headings are for the convenience of reference only and shall not affect the interpretation of this Amended Loan Agreement.

Section 9.12 Recording and Information Under Commercial Code. The Corporation shall ~~record~~ cause this Amended Loan Agreement to be recorded in the Official Records of the County ~~prior to disbursement of any Bond proceeds~~ immediately following its execution.

This Amended Loan Agreement is intended to constitute a fixture filing pursuant to Section 679.5021, Florida Statutes, with respect to that portion of the Mortgaged Property which are or which may become fixtures to or upon the Site, the Facilities, or the Project upon the recording of this Amended Loan Agreement in the real estate records of St. Johns County, Florida. The following information is supplied to facilitate filings under the Uniform Commercial Code:

The secured party is ~~St. Johns County Industrial Development Authority and the secured party's assignee is the Trustee~~ UMB Bank, N.A., as Successor Trustee under the Indenture. The address from which information concerning the security interest may be obtained and the mailing address of the ~~Issuer and the Issuer's assignee~~ Trustee is set forth in Section 9.09 hereof. The debtor is St. Johns County Welfare Federation. Its mailing address is set forth in Section 9.09 hereof. The types, or the items, of collateral covered hereby consist of all items of the Mortgaged Property that constitute fixtures.

Section 9.13 Act to Control. The Corporation covenants that the Facilities shall be used only for such purposes as are lawful under the Act and constitute Health Care Enterprises.

Section 9.14 Term of Agreement. This Amended Loan Agreement shall remain in full force and effect from the date hereof to and including the date on which all Bonds no longer Outstanding under the Indenture, or until terminated pursuant to the provisions of Article VIII hereof by reason of default by the Corporation.

Section 9.15 Effect of Agreement. The Corporation acknowledges that this Amended Loan Agreement is not intended to constitute a novation or satisfaction of the Note or the Loan or any lien or pledge heretofore granted by the Corporation as security therefor and that, except as modified by the provisions of this Amended Loan Agreement, all of the Corporation's obligations to repay the Loan as provided by the Note and any other documents evidencing the Loan remain in full force and effect and are hereby ratified and affirmed by the Corporation.

IN WITNESS WHEREOF, ~~St. Johns County Industrial Development Authority Trustee~~ has caused this Amended Loan Agreement to be executed in its name and in its behalf by its ~~Chairman and its official seal to be affixed hereunto and attested by its Assistant Secretary, and St. Authorized Trustee Representative,~~ and St. Johns County Welfare Federation, has caused this Amended Loan Agreement to be executed in its name and on its behalf by its President and its corporate seal to be affixed hereunto and attested by its Secretary, all as of the day and year first above written.

**~~ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY~~**

[Signature pages to follow.]

UMB BANK, N.A., as Successor Trustee
under the Indenture

By: _____
_____ J. Eugene Watson, Jr., Chairman

~~(SEAL)~~

~~Attest:~~

By: _____
_____ William A. Brown,
_____ Assistant Secretary

~~ST. JOHNS COUNTY WELFARE~~
~~FEDERATION~~

By: _____
_____ Mark F. Bailey,
_____ Vice-President

~~(SEAL)~~

~~Attest:~~

By: _____
_____ William T. Abare, Jr.,
_____ Secretary

STATE OF MINNESOTA
COUNTY OF HENNEPIN

The foregoing

ASSIGNMENT TO TRUSTEE

For value received, the undersigned hereby sells, assigns and transfers to The Bank of New York Trust Company, N.A., as Trustee, all of its rights title and interest in and to the foregoing *Amended and Restated Loan Agreement, Mortgage and Security Agreement* (the "Loan Agreement"), except the Reserved Rights as defined therein, without warranty or recourse, pursuant to the Indenture (as defined in the Loan Agreement).

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____

J. Eugene Watson, Jr., Chairmanwas
(SEAL)

Attest:

By: _____

William T. Abare, Jr.,

Secretary

~~STATE OF FLORIDA~~

~~COUNTY OF ST. JOHNS~~

~~The foregoing Loan Agreement, Mortgage and Security Agreement and the foregoing Assignment to Trustee were acknowledged before me this 20th day of February, 2007 April, 2019, by J. Eugene Watson, Jr. and William A. Brown, as Chairman and Secretary, respectively, of the St. Johns County Industrial Development Authority. They are personally known to me or have produced their driver's license as identification. They did not take an oath.~~

_____, as Vice-President of UMB Bank, N.A., as
Successor Trustee under the Indenture. He is personally known to me or has produced his driver's
license as identification. He did not take an oath.

NOTARY PUBLIC

(SEAL)

(Print Name) _____
State of Minnesota at Large
My Commissions Expires: _____
Certificate Number: _____

**ST. JOHNS COUNTY WELFARE
FEDERATION**

By: _____

President

(SEAL)

Attest:

By: _____

Secretary

State of Florida at Large
My Commissions Expires: _____
Certificate Number: _____

**STATE OF FLORIDA
COUNTY OF ST. JOHNS**

COUNTY OF ST. JOHNS

The foregoing instrument Amended and Restated Loan Agreement, Mortgage and Security Agreement was acknowledged before me this 20th day of February, 2007 April, 2019, by Mark F. Bailey and William T. Abare, Jr., and _____, as President and Secretary, respectively, of St. Johns County Welfare Federation. They are personally known to me or have produced their driver's license as identification. They did not take an oath.

NOTARY PUBLIC

(SEAL)

(Print Name) _____
State of Florida at Large
My Commissions Expires: _____
Certificate Number: _____

JOINDER AND CONSENT OF ISSUER

The Issuer, by and through its undersigned Authorized Issuer Representative, joins and consents in and to the foregoing *Amended and Restated Loan Agreement, Mortgage and Security Agreement* for the purposes of (i) consenting to the amendment of the Original Loan Agreement as contemplated by the provisions of Section 9.08 thereof and (ii) ratifying its retention of the Reserved Rights, as more particularly defined by the Original Loan Agreement and this Amended Loan Agreement.

~~EXHIBIT A~~

~~PARCEL I~~

~~LOTS NINE (9) through Seventeen (17), both inclusive, of Block Six (6), Buena Esperanza Subdivision of the City of St. Augustine, St. Johns County, Florida, as per Official Map of said City, dated January 1st, A.D., 1905~~

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____

_____, Chairman

(SEAL)

Attest:

By: _____

_____, Secretary

**STATE OF FLORIDA
COUNTY OF ST. JOHNS**

The foregoing instrument was acknowledged before me this _____ day of April, 2019, by _____ and _____, as Chairman and Secretary, respectively, of St. Johns County Industrial Development Authority. They are personally known to me or have produced their driver's license as identification. They did not take an oath.

NOTARY PUBLIC

(SEAL)

(Print Name)

State of Florida at Large

My Commissions Expires:

Certificate Number:

EXHIBIT A (continued)

A part of Block 49, Powder House Lot, and that area accreted thereto, in the City of St. Augustine, Township 7 South, Range 30 East, Tallahassee Meridian, St. Johns County, Florida, being more particularly described as follows:

PARCEL "1"

Commence at a point on the northern boundary line of Block 49 Powder House Lot and its intersection with the westerly right of way line of Marine Street (a 40 foot right of way as now exists), being an 8" x 8" monument; thence departing said northerly line of Block 49, Powder House Lot, South $21^{\circ}27'00''$ East, a distance of 17.31 feet to the Point of Beginning; thence North $82^{\circ}00'52''$ East, within the vacated former Hedrick Street right of way, a distance of 405.53 feet, to a point on the easterly boundary line of Block 49, Powder House Lot; thence South $44^{\circ}22'16''$ West, along said easterly line of Block 49, Powder House Lot, a distance of 36.46 feet; thence continuing along said easterly line, South $17^{\circ}30'25''$ East, a distance of 246.17 feet to an intersection with a jurisdictional wet-lands line; thence follow said wetlands line the following courses: South $42^{\circ}10'18''$ West, 10.12 feet; South $28^{\circ}03'19''$ West, 30.96 feet; North $84^{\circ}31'50''$ West, 22.22 feet; South $26^{\circ}21'44''$ East, 76.23 feet; South $19^{\circ}08'21''$ East, 45.88 feet; South $22^{\circ}50'09''$ East, 43.19 feet; South $10^{\circ}46'53''$ West, 38.78 feet; South $50^{\circ}23'27''$ East, 24.61 feet to a point; thence South $67^{\circ}05'44''$ West, departing said jurisdictional wetlands line, a distance of 288.81 feet to corner; thence North $21^{\circ}27'00''$ West, a distance of 596.12 feet to the Point of Beginning.

Subject parcel thus described contains 181,291 square feet or 4.1619 acres, more or less.

PARCEL "2" (Accreted Lands)

Commence at a point on the northern boundary line of Block 49 Powder House Lot and its intersection with the westerly right of way line of Marine Street (a 40 foot right of way as now exists), being an 8" x 8" monument; thence along the said northerly line of Block 49, Powder House Lot, North $82^{\circ}00'52''$ East, a distance of 431.38 feet to the Point Of Beginning, being the Northeast corner of said Block 49; thence South $13^{\circ}38'31''$ East, following a jurisdictional wetlands line, a distance of 45.34 feet, to a point; thence South $14^{\circ}21'24''$ East, a distance of 49.53 feet to a point; thence South $05^{\circ}04'57''$ East, a distance of 49.30 feet to a point;

thence continuing along said jurisdictional wetlands line, South 10°42'56" East, a distance of 84.77 feet to a point; thence South 00°17'05" West, a distance of 31.02 feet to a point; thence South 21°35'21" West, a distance of 19.06 feet to a point; thence South 42°10'18" West, a distance of 9.91 feet, to an intersection with the Easterly line of said aforementioned Powder House Lot; thence North 17°30'25" West, along said Easterly line of Powder House Lot, a distance of 246.17 feet; thence North 44°22'16" East, continuing along said Easterly line of Powder House Lot, a distance of 64.02 feet, to the Point Of Beginning.

Subject parcel thus described contains 10,329 square feet or 0.2371 acres, more or less.

PARCEL "3" ("Jurisdictional Wetlands")

Commence at a point on the northern boundary line of Block 49 Powder House Lot and its intersection with the westerly right of way line of Marine Street (a 40 foot right of way as now exists), being an 8" x 8" monument; thence along the said northerly line of Block 49, Powder House Lot, North 82°00'52" East, a distance of 431.38 feet, to the Northeast corner of Block 49, Powderhouse Lot; then South 44°22'16" West, along the Easterly line thereof, a distance of 64.02 feet, to a point on the easterly boundary line thereof; thence South 17°30'25" East, continuing along the said easterly line thereof, a distance of 246.17 feet to an intersection with a jurisdictional wet-lands line and Point of Beginning; thence follow said wetlands line the following eight (8) courses: (1) thence South 42°10'18" West, 10.12 feet; (2) thence South 28°03'19" West, 30.96 feet; (3) thence North 84°31'50" West 22.22 feet, (4) thence South 26°21'44" East, 76.23 feet; (5) thence South 19°08'21" East, 45.88 feet; (6) thence South 22°50'09" East, 43.19 feet; (7) thence South 10°46'53" West, 38.78 feet; (8) thence South 50°23'27" East, 24.61 feet to a point; thence North 67°05'44" East, departing said jurisdictional wetlands line, a distance of 39.44 feet to the Easterly line of aforesaid Block 49; thence North 17°30'25" West, along said Easterly line, a distance of 233.40 feet to the Point Of Beginning.

Subject parcel thus described contains 9,220 square feet or 0.2117 acres, more or less.

EXHIBIT A (continued)

PARKING EASEMENT

Commence at a point on the northern boundary line of Block 49 Powder House Lot and its intersection with the westerly right of way line of Marine Street (a 40 foot right of way as now exists), being an 8" x 8" monument; thence along the said northerly line of Block 49, Powder House Lot, South $72^{\circ}31'10''$ West, a distance of 220.44 feet, to the Northwest corner of Block 49, Powderhouse Lot; thence South $01^{\circ}17'28''$ West, along the Westerly line thereof, a distance of 146.96 feet, to a point; thence South $21^{\circ}14'27''$ East, a distance of 93.90 feet to a point; thence North $68^{\circ}26'26''$ East, a distance of 277.06 feet to an intersection with the southerly prolongation of the aforementioned westerly right of way line of Marine Street; then North $21^{\circ}27'00''$ West, along the southerly prolongation thereof, a distance of 213.59 feet to the Point Of Beginning.

Subject parcel thus described contains 57,889 square feet or 1.3289 acres, more or less.

EXHIBIT B
PROMISSORY NOTE

EXHIBIT Date: ~~February 22, 2007~~

~~For value received, St. Johns County Welfare Federation, a Florida not for profit corporation (the "Corporation"), promises to pay to the order of St. Johns County Industrial Development Authority, a public body corporate and politic of the State of Florida (the "Issuer"), the principal sum of Fourteen Million Five Hundred Five Thousand Dollars (\$14,505,000), together with interest and other amounts from the date hereof as specified in the Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 between the Corporation and the Issuer (the "Loan Agreement") and as specified in the Trust Indenture (the "Indenture") of even date between the Issuer and The Bank of New York Trust Company, N.A., Jacksonville, Florida, as Trustee under the Indenture.~~

~~All amounts payable hereunder shall be paid, for the account of the Issuer, at the corporate trust office of the Trustee in Jacksonville, Florida, or at the principal corporate trust office of any successor Trustee.~~

~~This Note is evidence of the Loan and other obligations to pay described in the Loan Agreement and is a part of the Trust Estate created by the Indenture, which secures payment of the principal of, premium, if any, and interest on the Issuer's \$14,335,000 Health Care Revenue Refunding Bonds, Series 2007A (Bayview Project) and \$170,000 Health Care Revenue Refunding Bonds, Series 2007B (Bayview Project) (together, the "2007 Bonds"), all of which is provided for and set forth in the Loan Agreement and the Indenture. The payment of this Note and the obligation of the Corporation under the Loan Agreement are secured by a Mortgage on the Mortgaged Property and a Security Interest in the Gross Revenues, as described in and pursuant to the Loan Agreement. The Corporation irrevocably and unconditionally promises and agrees (i) to make payments hereunder sufficient to pay all of the Loan Payments, which, under the Loan Agreement and the Indenture, are at least sufficient to pay all of the principal of, premium, if any, and interest on the 2007 Bonds issued under the Indenture when and as the same become due, and (ii) to timely pay all other sums required to be paid by the Corporation under the terms and provisions of the Loan Agreement and the Indenture. It is expressly agreed that all definitions, terms, covenants, conditions and agreements contained in the Loan Agreement and the Indenture executed in connection herewith are hereby incorporated by reference in this instrument as fully set forth at lien therein. In the event of conflict between this Note and the Loan Agreement or Indenture, the terms and conditions of the Loan Agreement and the Indenture shall control. This Note shall be deemed to be in default upon the occurrence of any Event of Default which under the terms of the Loan Agreement or Indenture has been so defined to constitute an Event of Default. Upon the occurrence of an Event of Default and such declaration of the same, the holder of this Note may, at its option, declare all unpaid indebtedness evidenced by this Note and any modifications thereof immediately due and payable without notice regardless of the date to maturity and shall have all other rights and remedies as provided in the Loan Agreement and the Indenture. Failure at any time to exercise this option shall not constitute a waiver of the right to exercise the same at any other time.~~

~~Corporation hereby waives presentment, protest and demand, notice of protest, demand and of dishonor and nonpayment of this Note.~~

~~This Note is subject to prepayment in accordance with the Loan Agreement.~~

~~This Note is assignable to the Trustee as aforesaid.~~

~~This Note shall be governed by the laws of the State of Florida, which laws shall be applicable in the interpretation, construction and enforcement hereof.~~

**~~ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY~~**

By: _____
_____ J. Eugene Watson, Jr., Chairman

(SEAL)

Attest:

By: _____
_____ William T. Abare, Jr.,
_____ Secretary

EXHIBIT C

C LIENS AND ENCUMBRANCES

1. Any adverse ownership claim by the State of Florida by right of sovereignty to any portion of the lands insured hereunder, including submerged, filled and artificially exposed lands, and lands accreted to such lands.
2. Terms, conditions and provisions of the Lease from St. Johns County, Florida, a political subdivision of the State of Florida to St. Johns County Welfare Federation, a Florida Not-For-Profit Corporation, recorded September 25, 1996, under O.R. Book 1198, Page 1087; together with Resolution Approving Lease recorded in O.R. Book 1198, Page 1116 and Amendment of Lease Agreement recorded in O.R. Book 2842, Page 492, Public Records of St. Johns County, Florida.
3. Interest of fee simple owner and any encumbrances affecting the fee simple as follows: Grant of Easement recorded in O.R. Book 1246, Page 1555 and License granted to BellSouth Telecommunications, Inc. recorded in O.R. Book 1306, Page 618.
4. The taxes for the year 2007 and subsequent years.
5. Riparian and littoral rights are not insured.
6. Title to the appurtenant easement as contained in instrument recorded June 20, 1997, under O.R. Book 1246, Page 1555, Public Records of St. Johns County, Florida, is not insured hereby.
7. License granted to BellSouth Telecommunications, Inc., a Georgia corporation recorded in O.R. Book 1306, Page 618, Public Records of St. Johns County.
8. Submerged lands are subject to the right of the public to use the navigable waters and the rights of the State of Florida and the United States to regulate use of the navigable waters.
9. The rights, if any, of the public to use as a public beach or recreation area any part of the land lying between the body of water abutting the subject property and the natural line of vegetation, bluff, extreme high water line, or other apparent boundary lines separating the publicly used area from the upland private area.
10. Any rights of the State of Florida or the City of St. Augustine, Florida to any portion of the insured parcel lying waterward of the ordinary high water mark of The Matanzas River.
11. Security Interest held by First Northern Bank described in UCC-1 document number 200602107723 dated March 14, 2006 in the Florida Secured Transaction Registry.

AMENDED AND RESTATED
TRUST INDENTURE

between

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

THE UMB BANK OF NEW YORK TRUST COMPANY, N.A., AS SUCCESSOR
TRUSTEE,
Jacksonville, Florida as Trustee

Originally Dated as of February 1, 2007
Amended and Restated as of _____, 2019

St. Johns County Industrial Development Authority
\$ 14,335,000 Health Care Revenue Refunding Bonds,

Tax Exempt Series 2007A
(Bayview Project)

\$170,000 Health Care Revenue Refunding Bonds,
Taxable Series 2007B
(Bayview Project)

**ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
\$14,335,000 HEALTH CARE REVENUE REFUNDING BONDS,
TAX EXEMPT SERIES 2007A (BAYVIEW PROJECT)**

**\$170,000 HEALTH CARE REVENUE REFUNDING BONDS,
TAXABLE SERIES 2007B (BAYVIEW PROJECT)**

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THIS AMENDED AND RESTATED TRUST INDENTURE, dated as of ~~February~~ April 1, 2007, ~~2019~~, by and between ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (the "Issuer"), a public body corporate and politic organized and existing under the laws of the State of Florida, and ~~THE UMB BANK OF NEW YORK TRUST COMPANY, N.A., Jacksonville, Florida, a New York national banking corporation~~ association, as successor trustee (the "Trustee").

WITNESSETH:

WHEREAS, the Issuer is authorized under Chapter 159, Parts II, III and VII and Chapter 154, Part III, Florida Statutes, and other applicable provisions of law, to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing or refinancing of certain projects, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Issuer will be able to promote the health care and economic development of the State of Florida, increase opportunities for gainful employment and otherwise aid in improving the prosperity and welfare of said State (defined below) and its inhabitants, and to provide such financing or refinancing through the issuance of revenue bonds; and

WHEREAS, the Issuer ~~proposes to issue~~ issued its \$14,335,000 Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project) and its \$170,000 Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project) (together, the "2007 Bonds") the proceeds of the sale of which ~~will be~~ were loaned to St. Johns County Welfare Federation, a Florida not-for-profit corporation authorized to do business in the State of Florida (the "Corporation") to refund its ~~Refunded~~ 1997 Bonds (defined below) and to pay the Costs of the construction and acquisition of interior renovation to the Facilities (defined below) and a new exterior exercise and nature walkway at the Facilities and to provide working capital needed for operations pending collection of the Corporation's accounts receivable and capitalizing interest on the Bonds; and

WHEREAS, the Issuer, at its meetings duly convened and held on December 18 and January 16, 2007, ~~has~~ duly authorized the execution and delivery of ~~this~~ the Trust Indenture dated as of February 1, 2007 (the "Original Indenture"), by and between the Issuer and The Bank of New York Trust Company, N.A. (the "Prior Trustee"), and the issuance ~~hereunder~~ of the 2007 Bonds upon and subject to the terms and conditions ~~hereinafter~~ therein; and

WHEREAS, in anticipation of the sale of Buckingham Smith, the Trustee and Corporation, with the joinder and consent of the Issuer, have individually and collectively determined that it is in their individual and collective best interests to amend and restate the Original Loan Agreement as set forth, in the Amended and Restated Loan Agreement, Mortgage and Security Agreement dated of even date herewith (the "Amended Loan Agreement"); and

WHEREAS, the Issuer and Trustee further determined that it is in their individual and collective best interests to amend and restate the Original Indenture as set forth herein for the purpose of more adequately securing payment of the principal of and premium, if any, and interest on the 2007 Bonds; and

WHEREAS, the Issuer, at its meeting duly convened and held on
2019, duly authorized the execution and delivery of this Indenture; and

WHEREAS, the execution and delivery of the 2007 Bonds and of this Indenture have in all respects been duly authorized and all acts and things necessary to make such 2007 Bonds, ~~when executed by the Issuer, authenticated by the Trustee and issued by the Issuer,~~ the valid and binding legal obligations of the Issuer and to make this Indenture a valid and binding agreement for the security of the 2007 Bonds, enforceable in accordance with its and their terms (subject, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or other laws or legal or equitable principles affecting the enforcement of creditors' rights generally), have been done and performed.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure all Bonds issued and Outstanding under this Indenture, the payment of the principal or redemption price (as the case may be) thereof and interest thereon, the rights of the Bondholders and the performance of the covenants contained in the Bonds and herein, and to declare the terms and conditions upon, and subject to, which the Bonds are issued and secured, and for and in consideration of the mutual covenants herein contained, of the pledge of the Trust Estate, of the purchase and acceptance of the Bonds by the Registered Owners thereof, and of the acceptance by the Trustee of the trusts and duties hereby created, and intending to be legally bound hereby, the Issuer and the Trustee have executed and delivered this Indenture and, by these presents, in confirmation of the Indenture the Issuer does hereby without recourse bargain, sell, convey, mortgage, assign, transfer, set over and pledge and grant a security interest unto the Trustee, its successors in the trust and its assigns forever, to the extent provided in the Indenture, all of the right, title and interest of the Issuer in and to the following (the "*Trust Estate*"):

I.

The Note.

II.

The Amended Loan Agreement and all amounts payable by the Corporation thereunder (except the Reserved Rights thereunder) and the Assignment of Management Contract.

III.

The Issuer's Mortgage on the Mortgaged Property and security interest in the Gross Revenues, granted pursuant to the Loan Agreement.

IV.

The net proceeds from the sale of the Bonds, any moneys and investments held in the Funds hereunder, except the Rebate Fund, but only to the extent herein provided, and the income earned

from such investments subject to the application thereof in accordance with the provisions of this Indenture and the Amended Loan Agreement.

V.

Any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the Issuer or by anyone in its behalf, or with its written consent, to the Trustee which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights, accounts, accounts receivable, chattel paper, investments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien and security interest created by the Indenture unto the Trustee and its successor or successors in the trust hereby created and its and their assigns forever.

IN TRUST, NEVERTHELESS, for the equal and ratable benefit and security of all present and future holders of the Bonds issued and secured under the Indenture, without preference, priority or distinction as to lien or otherwise (except as herein otherwise specifically provided), of any one Bond over any other Bond, so that each and every Bond issued and to be issued hereunder shall have the same right, lien and privilege under the Indenture and so that the principal of, and premium, if any and interest on, all Bonds shall be equally and proportionately secured hereby, except as expressly provided herein.

AND IT IS HEREBY COVENANTED AND AGREED by and between the parties hereto that all Bonds are to be authenticated, delivered and issued, and that all property, real, personal and mixed, subject or to become subject to the lien of the Indenture are to be held subject to the further covenants, conditions, uses and trusts hereinafter set forth, and the Issuer and the Trustee do hereby further agree and covenant each with the other as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions. The terms and phrases defined in this Article I shall for all purposes of the Indenture have the meanings herein specified unless the context clearly otherwise requires:

“1997 Bonds” shall mean, collectively, the 1997A Bonds and the ~~2007B~~1997B Bonds.

“1997 Trustee” shall mean The Bank of New York Trust Company, N.A., as Trustee under the Trust Indenture dated as of March 1, 1997, under which the 1997 Bonds were issued.

“1997A Bonds” shall mean the St. Johns County Industrial Development Authority Health Care Revenue Bonds, Tax Exempt Series 1997A (Bayview Project), dated March 1, 1997, issued in the original principal amount of \$11,570,000.

"1997B Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Bonds, Taxable Series ~~2007B~~1997B (Bayview Project), dated ~~February~~March 1, ~~2007~~1997, issued in the original principal amount of \$1,835,000.

"2007 Bonds" shall mean, collectively, the 2007A Bonds and the 2007B Bonds.

~~"2007 Bonds Expense Account" shall mean the account established pursuant to Section 3.04 hereof.~~

"2007A Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project), issued hereunder.

"2007B Bonds" shall mean the St. Johns County Industrial Development Authority Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project), issued hereunder.

"Act" shall mean Chapter 159, Parts II, III and VII, Florida Statutes, Chapter 154, Part III, Florida Statutes, and other applicable provisions of law.

"Accountant" shall mean a firm of independent certified public accountants, which may be the external auditing firm of the Corporation, not unsatisfactory to the Trustee or a Majority of Bondholders.

"Additional Bonds" shall mean any Additional Bonds issued under and pursuant to the provisions of Section 3.02 hereof.

"Agency Obligations" shall mean bonds, debentures, notes or other evidences of indebtedness issued by Federal Home Loan Bank System; Federal Home Loan Mortgage Corporation (including participation certificates); Federal National Mortgage Association; Resolution Funding Corporation; or Federal Farm Credit System;.

"Amended Loan Agreement" shall mean the *Amended and Restated Loan Agreement, Mortgage and Security Agreement* dated as of April 1, 2019 between the Trustee and the Corporation and all modifications, amendments and supplements thereto.

"Architect" shall mean an independent architect or engineer or firm of architects or engineers which is appointed by the Corporation for the purpose of passing on questions relating to the design and construction of the Facilities, has all licenses and certifications necessary for the performance of such services, has a favorable reputation for skill and experience in performing similar services in respect of facilities of a comparable size and nature, and is not unsatisfactory to the Trustee.]

"1997 Indenture" shall mean the Trust Indenture dated as of March 1, 1997 between the Issuer and The Bank of New York, as to which the Trustee serves as successor trustee (the "1997 Trustee").

"Authorized Corporation Representative" shall mean the President, Executive Director/CEO, or Vice President of the Corporation, or any other person authorized to perform an act or execute a document in question.

"Assignment of Management Contract" shall mean that certain Assignment of Management Contract dated as of February 1, 2007 by the Corporation pursuant to which the Corporation has assigned to the Trustee as part of the Trust Estate hereunder, effective upon the occurrence of an Event of Default under this Indenture or under the Loan Agreement, all of the Corporation's rights under its Management Contract and all renewals or extensions thereof, and all future contracts for management of the Facilities or any part thereof.

"Authorized Issuer Representative" shall mean the Chairman or Vice Chairman of or attorney for the Issuer, or any other person authorized to perform an act or execute a document in question.

"Authorized Newspaper" shall mean a newspaper generally circulated in St. Johns County, Florida or financial journal generally circulated in New York, New York (which may be The Bond Buyer). When successive publications in an Authorized Newspaper are required, they may be made in the same or a different Authorized Newspaper.

"Authorized Trustee Representative" shall mean a Vice-President of or attorney for the Trustee, or any other person authorized to perform an act or execute a document in question.

"Balloon Indebtedness" shall mean Long Term Indebtedness (i) twenty-five percent (25%) or more of the original principal amount of which matures within a period of twelve (12) consecutive months, which portion of such principal amount is not required by the documents governing such Indebtedness to be amortized prior to the commencement of such twelve (12) month period in amounts such that, following such amortization, the principal amount maturing during such twelve (12) month period will be less than twenty-five percent (25%) of such original principal amount, or (ii) any portion of the original principal amount of which (1) may be tendered for purchase or redemption prior to maturity at the option of the holder thereof (including any such Indebtedness which is payable on demand within 365 days from the date of incurrence), or (2) is required to be tendered for purchase or redemption (other than for mandatory sinking fund redemption) prior to maturity thereof.

"Bayview Project" shall mean the Care Center and the Pavilion, constructed on the Site with proceeds of the 1997 Bonds.

~~"Beneficial Owner" means the person or entity in whose name a Bond is recorded as beneficial owner of such Bond by the Securities Depository or a Participant or an Indirect Participant on the records of such Securities Depository, Participant or Indirect Participant, as the case may be, or such person's or entity's subrogee.~~

"Beneficial Owner" shall mean the Person treated as the owner of Bonds for federal income tax purposes while the Bonds are registered in the name of Cede & Co., as the nominee of DTC. The Trustee is authorized to recognize the Beneficial Owners of Bonds for purposes of approvals, consents or other actions taken hereunder if beneficial ownership is proven to the satisfaction of the Trustee.

“Board of the Corporation” shall mean the then legal governing body vested with the power of management of the Corporation.

“Bond” or “Bonds” shall mean one or all, as the case may be, of the 2007 Bonds and any Additional Bonds.

“Bond Counsel” shall mean such attorney or firm of attorneys representing the Issuer experienced in matters relating to municipal bond law and the tax exemption of interest on bonds of states and their political subdivisions.

“Bond Fund” shall mean the fund so designated which is established pursuant to Section 5.01 hereof.

“Bondholder” or “holder of Bonds” shall mean the Registered Owner of any Bond.

“Bond Purchase Contract” shall mean ~~at~~the contract for sale of the 2007 Bonds to the Investment Banker, entered into by the Issuer, the Corporation and the Investment Banker.

“Bond Year” shall mean the twelve-month period ending on October 1 of each calendar year following the date of issuance of the 2007 Bonds and each twelve month period thereafter commencing on the anniversary of such date of issue.

“Book-Entry System” shall mean a registration system under which physical Bond certificates in fully registered form are issued to a depository, or to its nominee, as Registered Owner, with the certificated Bonds being held by and “immobilized” in the custody of such depository, and under which records maintained by persons, other than the Issuer, constitute the written record that identifies and records the transfer of the beneficial “book-entry” interests in the Bonds.

“~~Buckingham Smith Assisted Living Facility~~”Smith” shall mean the assisted living facility by that name located at 169 Martin Luther King Avenue, St. Augustine, Florida ~~and owned and operated by the Corporation.~~

“Business Day” shall mean any day other than a Sunday, a Saturday or any other day on which the State or any banking institutions in the State or the Trustee are authorized by law or are required by executive order to be closed.

“Capital Additions” shall mean all property or interests in property, real, personal and mixed (a) which constitute additions, improvements or extraordinary repairs to or replacements of all or any part of the Mortgaged Property, (b) which constitute, or are used for a Health Care Enterprise on the Mortgaged Property, and (c) the Cost of which is properly capitalized under Generally Accepted Accounting Principles.

“Care Center” shall mean the 120-bed skilled nursing and/or extended congregate care facility located on the Site and known as the Samantha R. Wilson Care Center.

"Certificate" shall mean a certificate or report, in form and substance satisfactory to the Issuer or the Trustee, executed: (a) in the case of an Issuer Certificate, by an Authorized Issuer Representative; (b) in the case of a Corporation Certificate, by an Authorized Corporation Representative; and (c) in the case of a Certificate of any other person, by such person, if an individual, and otherwise by an officer, general partner or other authorized representative of such person; provided that in no event shall any individual be permitted to execute any Certificate in more than one capacity. Any Corporation Certificate which relates to any financial test or ratio shall set forth in reasonable detail the computations involved in showing compliance with such test or ratio and the assumptions or evidence used as a basis for the figures used in making such computation.

"Certified Resolution of the Issuer" shall mean a copy of one or more resolutions certified by the Secretary or an Assistant Secretary of, or a secretary to, the Issuer, under its corporate seal, to have been duly adopted by the governing body of the Issuer and to be in effect on the date of such certification.

"Certified Resolution of the Corporation" shall mean a copy of a resolution of the Corporation or a duly authorized committee thereof, certified by the Secretary or the Assistant Secretary of the Corporation or other officer ~~servicing~~serving in a similar capacity, under its corporate seal, to have been duly adopted and to be in full force and effect as of the date of such certification.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and all valid and applicable regulations proposed or promulgated thereunder.

"Consultant's Certificate" shall mean a certificate executed by the Management Consultant.

"Corporation" shall mean St. Johns County Welfare Federation, a Florida not-for-profit corporation.

"Cost" or "Costs", in connection with the Project or any Capital Addition, shall mean all expenses which constitute costs under the Act and (i) are properly capitalized and chargeable to the Project or any Capital Addition ~~under Generally Accepted Accounting Principles~~ or (ii) are incidental to the financing, acquisition and construction of the Project or any Capital Addition, other than for refunding or redeeming Bonds, including, without limiting the generality of the foregoing:

A. Amounts payable to construction contractors and costs incident to the award of contracts;

B. Cost of labor, facilities and services furnished by the Issuer, the Corporation and their employees or others, materials and supplies purchased by the Issuer, the Corporation or others, and permits and licenses obtained by the Issuer, the Corporation or others;

- C. Architectural, legal, accounting and other professional and advisory fees;
- D. Premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;
- E. Interest during construction and for a period not exceeding one (1) year after completion of construction of the Project or any Capital Addition;
- F. Marketing and consulting fees and expenses and other administrative expenses during construction, including compensation and expenses of the Trustee;
- G. Printing, engraving and other expenses of financing;
- H. Costs, fees and expenses in connection with the acquisition of real and personal property or rights therein and the obtaining of required certificates of need and other regulatory approvals for any part of the Project or any Capital Addition;
- I. Cost of equipment purchased by the Issuer or the Corporation and necessary to the completion and proper operation of the Mortgaged Property; and
- J. Amounts required to repay temporary or bond anticipation loans made to finance the costs of the Project or any Capital Addition.

In the case of refunding any Bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in C, F and G above, advertising and other expenses related to the redemption of the Bonds to be redeemed and the Redemption Price of such Bonds including the accrued interest payable on redemption to the extent not otherwise provided for.

Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to the Issuer, the Corporation or others who have paid the same.

"Counsel" shall mean an attorney-at-law or firm thereof (who may be counsel for the Corporation or the Issuer).

"County" shall mean St. Johns County, Florida.

A "Day's Cash on Hand" shall mean as of any date of calculation:

- (i) the Corporation's unrestricted cash and investments as of the date of calculation, including cash and investments held in the Corporation's Working Capital Fund – Sale Proceeds Account, and including moneys in the Renewal and Replacement Fund, but excluding the moneys in the other funds and accounts established under the Indenture; divided by

(ii) (a) the operating expenses of the Corporation, including interest expenses, for the semiannual period or Fiscal Year last preceding the date of the semiannual or annual calculation (as the case may be), determined in accordance with ~~generally accepted accounting principles~~ Generally Accepted Accounting Principles consistently applied, minus (b) the sum of depreciation, amortization and bad debts for such period, such amount of (a)-(b) being divided by (c) the number of days in the applicable period for which Day's Cash on Hand is being measured.

"Debt Service Coverage Ratio" means, for any period, the ratio of (a) Funds Available for Debt Service received during such period to (b) the Maximum Annual Debt Service Requirement on the Bonds and other Long-Term Indebtedness as of the date of calculation.

"Debt Service Requirement" means, with reference to a specified period:

(a) with respect to any series of Bonds (i) interest accruing on such Bonds during the period, except to the extent such interest is payable from the proceeds of such Bonds, and (ii) amounts required to be deposited in the Debt Service Fund during such period to pay the principal amount of such Bonds becoming due at maturity or by mandatory sinking fund redemptions, as the case may be; and

(b) with respect to any other Long Term Indebtedness (i) interest accruing on such Long Term Indebtedness during the period, except to the extent such interest is payable from the proceeds of such Long Term Indebtedness, (ii) amounts required to be paid during the period with respect to the principal or sinking fund requirements on such Long Term Indebtedness and (iii) all lease rental payments during the period on Long Term Indebtedness which evidence the acquisition of capital assets which are required to be capitalized under Generally Accepted Accounting Principles.

For the purpose of determining the interest rate on any Bonds or other Long-Term Indebtedness which bears interest at a variable rate, such interest rate shall be assumed to be: (1) for the purpose of determining whether such Bonds may be issued or such Long Term Indebtedness may be incurred, the rate estimated by the Investment Banker or a Management Consultant to be in effect at the time of such issuance or incurrence, plus 1% per annum; or (2) for the purpose of Bonds or Long Term Indebtedness Outstanding, the higher of the rate determined pursuant to clause (1) above, or the rate then in effect.

For the purpose of determining the Debt Service Requirements on that portion of Long-Term Indebtedness which constitutes Balloon Indebtedness at the option of the Corporation, in lieu of the provisions of the preceding paragraphs:

(i) If the Corporation received an enforceable commitment for funding new Long-Term Indebtedness to repay such prior Indebtedness, the Debt Service Requirements shall be deemed to be those of the new Long-Term Indebtedness obligation;

(ii) If such Long Term Indebtedness is secured by a letter of credit or other similar security in an amount at least equal to the principal amount of such Long Term Indebtedness, the Debt Service Requirements shall be deemed to be those which will become due from the Corporation assuming such letter of credit or other security is drawn upon to pay such Long Term Indebtedness at any maturity of such Balloon Indebtedness

(iii) If the Debt Service Coverage Ratio for the preceding Fiscal Year was at least 1.35 and the number of Days' Cash on Hand at the end of the last Fiscal Year, and as of the most recent fiscal quarter, was at least 90, the Debt Service Requirements on such Long-Term Indebtedness shall be deemed to be those which would be payable if such Long-Term Indebtedness were amortized over a term of 20 years, based on level payments of principal and interest, using an interest rate estimated by the Investment Banker or a Management Consultant to be in effect on debt of comparable terms and creditworthiness; and

(iv) If such Long-Term Indebtedness does not meet any of the requirements of subparagraphs (i), (ii) or (iii) above, the Debt Service Requirements shall include the full amount of principal stated to be due in any year on such Long-Term Indebtedness.

For the purpose of determining the Debt Service Requirement on Bonds or Long Term Indebtedness, the principal thereof and interest thereon shall be disregarded to the extent that Defeasance Obligations (other than Investment Securities held in the Debt Service Reserve Fund or the Renewal and Replacement Fund), which are free and clear of liens or encumbrances in favor of other creditors and the principal of and interest on which is sufficient to pay the principal and interest on such Bonds or Long Term Indebtedness, are irrevocably pledged to make such payments.

"Debt Service Reserve Fund" shall mean the fund so designated which is established pursuant to Section 5.02 hereof.

"Debt Service Reserve Fund Requirement" shall mean the Maximum Annual Debt Service Requirement on all Bonds outstanding as of the date of determination; provided that the amount deposited in any account in the Debt Service Reserve Fund from the proceeds of Tax-Exempt Reserve-Secured Bonds at the time of issuance of each series of Reserve-Secured Bonds shall not exceed 10% of the principal amount (net of original issue discount or premium) of such series of Tax-Exempt Reserve- Secured Bonds.

"Defeasance Obligations" shall mean obligations of the type described in clauses (a) through (i) of the definition of Investment Securities.

"Determination of Taxability" shall mean a determination that the interest income on any of the Tax-Exempt Bonds is not excluded from gross income under Section 103 of the Code, which determination shall be deemed to have been made upon the first to occur of the following:

A. the date on which the Trustee is notified by Bond Counsel that Bond Counsel is unable to render an opinion that the interest income on any of the Tax-Exempt Bonds is excluded from gross income; or

B. the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service issues any private ruling, technical advice or any other written communication with or to the effect that the interest income on any of the Tax-Exempt Bonds is not excluded from gross income; or

C. the date on which the Corporation shall receive notice from the Trustee in writing that the Trustee has been advised by any ~~Registered Beneficial~~ Owner or former ~~Registered Beneficial~~ Owner that the Internal Revenue Service has issued a thirty-day letter or other notice to such ~~Registered Beneficial~~ Owner or former ~~Registered Beneficial~~ Owner which asserts that the interest on the Tax Exempt Bonds is not excluded from gross income.

"EMMA" means the MSRB's Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

"Escrow Agent" shall mean The Bank of New York Trust Company, N.A., as 1997 Trustee.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement dated as of February 1, 2007 between the Issuer and the ~~1997 Trustee, as~~ Escrow Agent, providing for payment of the 1997 Bonds.

"Event of Bankruptcy" shall mean the occurrence of any of the following events: (i) the Corporation shall become insolvent or the subject of insolvency proceedings or shall file a petition or other pleading seeking an "order for relief" within the meaning of the United States Bankruptcy Code, or shall file any petition or other pleading seeking any reorganization, composition, readjustment, liquidation of assets or similar relief for itself under any present or future law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Corporation, or of substantially all of the assets of the Corporation, or shall make a general assignment for the benefit of creditors, or shall be unable or admit in writing its inability to pay its debts generally as they become due; or (ii) a petition or other pleading shall be filed against the Corporation seeking an "order for relief" within the meaning of the United States Bankruptcy Code or any reorganization, composition, readjustment, liquidation of assets or similar relief under any present or future law or regulation, and shall remain undismissed or unstayed for an aggregate period of one hundred twenty (120) days (whether or not consecutive), or, by an order or decree of a court of competent jurisdiction, the Corporation shall become the subject of an "order for relief" within the meaning of the United States Bankruptcy Code or relief shall be granted under or pursuant to any such petition or other pleading, or, by order or decree of such court, there shall be appointed, without the consent or acquiescence of the Corporation, a trustee in bankruptcy or reorganization or a receiver or liquidator of the Corporation or of all or any

substantial part of the property of the Corporation , and any such order or decree shall have continued unvacated, unstayed on appeal or otherwise and in effect for a period of one hundred twenty (120) days.

“Event of Default” shall mean any of the events described in Section 98.01 hereof.

“Facilities” means the Bayview Project, ~~the Buckingham Smith Assisted Living Facility,~~ the Project and any Capital Additions.

“Feasibility Report” shall mean a report prepared and signed by a Management Consultant setting forth for a forecast period not exceeding five Fiscal Years from the later of the date of the issuance of the Long-Term Indebtedness in question, or the completion of the Facilities or the Capital Additions financed with such Long-Term Indebtedness: (i) forecasted financial statements prepared on the same basis as the Corporation’s audited financial statements; and (ii) a full explanation of the assumptions and rationale used in preparing such forecasts, including that such forecasts have taken into account the projected utilization of the Corporation’s facilities, the rates and charges to patients and residents and such other data and information as may be necessary to support the forecasted financial statements; which shall be accompanied by an opinion of such Management Consultant or the Corporation that the underlying assumptions provide a reasonable basis for such forecast.

“Fiscal Year” shall mean the period of twelve (12) months beginning October 1 of each year.

“Funds Available for Debt Service” shall mean in any period the sum of: (i) the Corporation’s Net Income for such period; (ii) all interest expense of the Corporation for such period with respect to Long-Term Indebtedness, except interest on any Long-Term Indebtedness which is paid from the proceeds of such Indebtedness; (iii) all depreciation expense, amortization of financing charges and other non-cash expenses deducted from Net Revenue in accordance with generally accepted accounting principles in determining Net Income for such period.

“Funds” shall mean the Bond Fund, the Debt Service Reserve Fund, the Renewal and Replacement Fund, the Rebate Fund, the Project Fund, and any accounts established in any of the foregoing (“*Accounts*”).

“Generally Accepted Accounting Principles” shall mean those accounting principles applicable in the preparation of financial statements, as promulgated from time to time by the Financial Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants.

“Government Obligations” shall mean direct obligations of, or obligations the full and timely payment of principal and interest on which are backed by the full faith and credit of the United States of America (excluding mutual funds and unit investment trusts, the assets of which consist of Government Obligations).

"Gross Revenues" shall mean all receipts, revenues, payments, income and other moneys received by or on behalf of the Corporation from any source, whether or not in connection with the ownership or the operation of all or any part of the Mortgaged Property, including, without limitation, all fees from services to residents, and all other operating and nonoperating revenues, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles of the Corporation and the proceeds thereof, the proceeds of any insurance coverage on and condemnation awards in respect of the Mortgaged Property or any gain on the sale or other Corporation disposition of property; all of the foregoing, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Corporation; and including all gifts, grants, bequests, donations and contributions, except those heretofore or hereafter made, restricted at the time of making by the donor or maker as being for certain specified purposes inconsistent with the application thereof to the payments due from the Corporation under the Loan Agreement and except any income derived therefrom to the extent required by such restriction.

"Health Care Enterprise" shall mean the business of operating the Facilities as a health care facility as defined by the Act in the following manner; to wit: the business of operating the Facilities as an assisted living facility for the elderly or as facilities used or useful in connection with the diagnosis, treatment, therapy, rehabilitation, housing or care of or for aged, sick, ill, injured, infirm, impaired, disabled or handicapped persons, without discrimination among such persons due to race, religion or national origin.

"Immediate Notice" means notice by telephone, telex or telecopier to such number as the addressee shall have directed in writing, promptly followed by written notice by first class mail, postage prepaid; provided, however, that if any Person required to give an Immediate Notice shall not have been provided with the necessary information as to the telephone, telex or telecopier number of an addressee, Immediate Notice shall mean written notice by first class mail, postage prepaid.

"Indebtedness" shall mean any obligation of the Corporation for the payment of money, including without limitation (i) indebtedness for money borrowed, (ii) purchase money obligations, (iii) leases evidencing the acquisition of capital assets, (iv) reimbursement obligations and (v) guarantees of any such obligation of a third party, but excluding (a) obligations under contracts for supplies, services and pensions allocable to current Operating Expenses during the current or future Fiscal Years in which the supplies are to be delivered, the services rendered or the pensions paid, and (b) payments payable in the current or future Fiscal Years under leases not intended to evidence the acquisitions of capital assets.

"Indenture" shall mean this Amended and Restated Trust Indenture executed and delivered by the Issuer to the Trustee, dated as of April 1, 2019, as amended or supplemented at the time in question, under which the 2007 Bonds are issued and secured.

"Independent" shall mean with respect to the Accountant, the Architect, the Insurance Consultant and the Management Consultant, a Person: (i) who is not a member of the Board of the Corporation, the governing body of the Manager, the Marketing Agent or the Issuer; (ii) who is not an officer or employee of the Issuer, the Manager, the Marketing Agent or the Corporation;

or (iii) which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is a member of the Board of the Corporation, the Manager, the Marketing Agent or the Issuer, or an officer or employee of the Issuer, the Manager, the Marketing Agent or the Corporation; provided, however, that the fact that such Person is retained regularly by or transacts business with the Issuer, the Manager, the Marketing Agent or the Corporation shall not make such Person an employee within the meaning of this definition.

“Indirect Participant” means a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository through a Participant.

“Insurance Consultant” shall mean a Person who shall be Independent, appointed by the Corporation or the Issuer, as the case may be, and not unsatisfactory to the other party or the Trustee, qualified to survey risks and to recommend insurance coverage for the Facilities and operations of the Corporation and having a favorable reputation for skill and experience in performing such services in respect of facilities and operations of a comparable size and nature, and who may be a broker or agent with whom the Corporation or the Issuer transacts business.

“Interest Payment Date” shall mean each April 1 and October 1, commencing October 1, 2007. In each case, if any date so specified is not a Business Day, the Interest Payment Date shall be the immediately following Business Day.

“Interested Bondholder” shall mean the holder of \$1,000,000 or more in aggregate principal amount of the Bonds and any other Bondholder who shall have filed a written request with the Trustee to receive copies of reports hereunder.

“Investment Banker” shall mean Herbert J. Sims & Co., Inc. and its successors.

“Investment Instructions” shall mean the Investment Instructions executed by an Authorized Corporation Representative and delivered to the Trustee on the date of original delivery of the 2007 Bonds, as amended or superseded from time to time.

“Investment Securities” shall mean and include any of the following securities, if and to the extent the same are permitted under applicable law:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons which have been stripped from Government Obligations, or receipts or certificates evidencing an undivided proportionate interest in payments from a pool of such Government Obligations or stripped interest coupons which are held in a custody or trust account by a commercial bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$20,000,000;

(c) Agency Obligations;

(d) obligations of any state or political subdivision thereof or any agency or instrumentality of such a state or political subdivision, the interest on which, in the opinion of Bond Counsel, is exempt from federal income tax provided that (i) such obligations are rated, at the time of purchase thereof, "Aa" or better by Moody's Investors Service or "AA" or better by Standard & Poor's Ratings Group, or (ii) (A) cash, Government Obligations or a combination thereof have been irrevocably pledged to and deposited into a segregated escrow account for the payment when due of the principal or redemption price of and interest on such obligations, (B) any cash pledged and deposited as aforesaid is in such amount and any Government Obligations so pledged and deposited are payable as to principal and interest in such amounts and on such dates as may be necessary, without reinvestment, to provide for the payment when due of the principal or redemption price of and interest on such obligations, (C) such obligations are not subject to redemption prior to maturity except as provided in the terms of such escrow account and (D) such obligations are rated at the time of purchase thereof in the highest credit rating category by Moody's Investors Service or Standard & Poor's Ratings Group;

(e) deposits, federal funds or banker's acceptances of any bank, including a branch office of a bank which branch office is located outside the bank's home country, provided legal opinions are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, and provided such bank (i) has an unsecured, uninsured and unguaranteed obligation rated, at the time of purchase thereof, in one of the two highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group, or (ii) is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting the rating requirements in clause (i) above; and provided further that any such obligations are held by the Trustee or by a bank, trust company or national banking association (other than the issuer of such obligation) during the term of such contract;

(f) deposits with any bank or savings and loan association which has combined capital, surplus and undivided profits of not less than \$20,000,000, provided such deposits are fully insured by the Federal Deposit Insurance Corporation;

(g) repurchase agreements collateralized by securities described in subsection (a), (b) or (d) above with any registered broker/ dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank, if such broker/ dealer or bank has an uninsured, unsecured and unguaranteed obligation rated, at the time of purchase thereof, in one of the two highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group, provided: (i) a master repurchase agreement or specific written repurchase agreement governs the transaction, (ii) the securities are held, free and clear of liens or claims by third parties, by the Trustee or an independent party acting solely as agent for the Trustee, and such agent is (A) a Federal Reserve Bank or (B) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$25,000,000, and the Trustee shall have received written confirmation from such third party that it holds such securities as agent for the Trustee, free of liens or claims by third parties (iii) a perfected first security interest

under the Uniform Commercial Code, or book entry procedures prescribed at 31 CFR 306.1 et seq. or 31 CFR 350.0 et seq. in such securities is created for the benefit of the Trustee, (iv) the repurchase agreement has a term of thirty days or less, or the Trustee will value the collateral securities at the current market value thereof no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two Business Days of such valuation, (v) the repurchase agreement matures at least ten days (or other appropriate liquidation period) prior to an Interest Payment Date, and (vi) the fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 100%;

(h) U.S. dollar-denominated, senior debt obligations issued or guaranteed by any corporation organized under the laws of one of the United States of America which are rated at the time of purchase thereof in one of the two highest Long-Term credit rating categories by Moody's Investors Service or Standard & Poor's Ratings Group;

(i) investment agreements with, or which are guaranteed by, a financial institution which has an unsecured, uninsured and unguaranteed obligation rated, at the time such agreement is entered into, in one of the three highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group, or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting such rating requirements, provided (i) interest is paid at least semi-annually at a fixed rate during the entire term of the agreement, consistent with Interest Payment Dates, (ii) moneys invested thereunder may be withdrawn without any penalty, premium or charge upon not more than seven days' notice (provided such notice may be amended or cancelled at any time prior to the withdrawal date); except with regard to an investment agreement relating to capitalized interest held in the Bond Fund, which may provide that moneys may be withdrawn only on the Interest Payment Dates on which such capitalized interest is to be paid, (iii) the agreement is not subordinated to any other obligations of such insurance company or bank, (iv) the same guaranteed interest rate will be paid on any future deposits permitted to be made under such investment agreement, and (v) the Trustee receives an opinion of counsel that such agreement is an enforceable obligation of such insurance company or bank;

(j) shares or certificates in any Short-Term investment fund which invests solely in obligations described in subparagraph (a) above provided such obligations are rated, at the time of purchase thereof, in one of the two highest rating categories by Moody's Investors Service or Standard & Poor's Ratings Group;

(k) commercial paper rated, at the time of purchase thereof, in the highest rating category by Moody's Investors Service or Standard & Poor's Ratings Group; and

(l) shares of an open-end, diversified investment company which is registered under the Investment Company Act of 1940, as amended (including without limitation funds of the Trustee or its affiliates), and which (i) invests its assets exclusively in obligations of or guaranteed by the United States of America or any instrumentality or agency thereof having in each instance a final maturity date of not more than one year from

the date of purchase; (ii) seeks to maintain a constant net asset value per share; and (iii) has aggregate net assets of not less than \$50,000,000 on the date of purchase of such shares.

"Issuer" shall mean St. Johns County Industrial Development Authority, a public body politic and corporate created and existing pursuant to the Act.

"Lease" shall mean that certain Lease Agreement dated as of September 25, 1996, as amended by Amendment of Lease Agreement dated August 31, 2004, and as amended by Amendment to Lease Agreement dated February 13, 2007, each by and between the County, as Lessor, and the Corporation, as Lessee, relating to the Site and recorded in the official public records of the County.

"Lessee" shall mean the Corporation, its successors and assigns.

"Lessor" shall mean St. Johns County, a political subdivision of the State of Florida, as Lessor under the Lease.

"Liquidity Covenant" shall have the meaning as defined in the Amended Loan Agreement.

"Loan" shall mean the loan made from the proceeds of the 2007 Bonds from the Issuer to the Corporation memorialized by the Note and payable pursuant to the Amended Loan Agreement.

~~"Loan Agreement" shall mean the Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 between the Issuer and the Corporation and all modifications, amendments and supplements thereto.~~

"Loan Payment" shall mean the payments required to be made under the Amended Loan Agreement by the Corporation to the Trustee pursuant to Section 5.01 of the Amended Loan Agreement.

"Long-Term Indebtedness" shall mean all Indebtedness of the Corporation, except:

- (a) Short-Term Indebtedness;
- (b) Current obligations payable out of current revenues, including current payments for the funding of pension plans or contributions to self-insurance programs;
- (c) Obligations under contracts for supplies, services and pensions, allocable to the current Operating Expenses of future years in which the supplies are to be furnished, the services are to be rendered or the pensions paid; and
- (d) Scheduled payments under construction contracts.

"Majority of Bondholders" shall mean the ~~Registered~~ Beneficial Owners of more than 50% of the principal amount of the Bonds Outstanding.

“Management Consultant” shall mean an independent consulting firm which is appointed by the Corporation for the purpose of passing on questions relating to the financial affairs, marketing, management or operations of the Corporation, has a favorable reputation for skill and experience in performing similar services in respect of entities of a comparable size and nature and is not unsatisfactory to the Trustee or the Issuer. If any Management Consultant’s certificate or report is required to be given with respect to matters partly within and partly without the expertise of any Management Consultant, such Management Consultant may rely upon the report or opinion of another Management Consultant possessing the necessary expertise.

“Management Contract” shall mean the Management Contract dated as of April 1, 2001, as amended by Amendment to Management Agreement dated as of February 6, 2007, each between the Corporation and Riverwood Retirement Management Incorporated for management of the Facilities.

“Manager” means the senior officer of the Corporation responsible for management of the Facilities and all other activities of the Corporation, any successor to such person, or any management company or companies appointed by the Corporation to supervise the operation and management of the Facilities and/ or any of the other activities of the Corporation.

“Marketing Agent” means the senior officer of the Corporation responsible for marketing the units in the Facilities, any successor to such person, or any marketing firm appointed by the Corporation to market the units in the Facilities.

“Maximum Annual Debt Service Requirement” shall mean (1) for purposes of computing the Debt Service Reserve Fund Requirement, the greatest Debt Service Requirements on all aggregate Reserve-Secured Bonds Outstanding in the then current or any future Fiscal Year, other than the Debt Service Requirements on the 2007A Bonds for the twelve (12) month period ending October 1, 2041; provided that the Maximum Annual Debt Service Requirement for any Long-Term Indebtedness shall be disregarded for any period during which the interest on such Long-Term Indebtedness is funded from the proceeds thereof; and (2) for purposes of computing the Debt Service Coverage Ratio shall be such amount described in (1) above including all 2007B Bonds.

“Mortgage” shall mean the mortgage of the Mortgaged Property originally granted to the Issuer by the Corporation pursuant to the Original Loan Agreement and subsequently assigned to the Trustee as amended and restated by the Amended Loan Agreement, and any modifications or amendments thereto.

“Mortgaged Property” shall mean:

A.—(1) The Corporation’s leasehold interest in the Site, the Facilities, the Project and all Capital Additions pursuant to the Lease; and

~~(2) — The Corporation’s land and improvements located at 169 Martin Luther King Avenue, St. Augustine, Florida and more particularly described on Exhibit A-2 attached to the Loan Agreement, together with all appurtenances thereto.~~

B. any and all buildings, structures and other improvements now or hereafter located on the Site or any of the other Mortgaged Property or upon any part and parcel thereof subject to the Lessor's right of ownership of any such improvements located on the Site upon termination of the Lease;

C. any and all ways, streets, roads, rights, liberties, privileges, tenements, hereditaments, easements and appurtenances belonging on or in anywise appertaining to the Mortgaged Property, and the reversion and reversions, remainder and remainders, rent, issues, and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Corporation of, in and to the same and every part and parcel thereof;

D. the Corporation's ownership interest, if any, in any and all building materials, machinery, apparatus, equipment, fittings, fixtures (including all trade, domestic and ornamental fixtures) and all articles of tangible personal property of every kind and nature used or usable in connection with any present or future operation of, and now or hereafter located on, installed on, under or in, or actually or constructively attached to, the Mortgaged Property and/ or the Site and the buildings, structures and improvements now or hereafter located thereon, all additions and accessions thereto, substitutions and replacements therefor (for the purposes hereof and to the extent that the expressed intent and agreement of the parties hereto may be given effect under the laws of the State, such machinery, apparatus, equipment, fittings, fixtures and articles of personal property shall be deemed to be fixtures affixed to real estate);

E. any and all proceeds of insurance or condemnation awards payable with respect to any of the property described in clauses A through D and clause G, inclusive, and any warranties or service contracts now or hereafter existing with respect to such property;

F. all of the right, title and interest of the Corporation, as lessor or lessee, with respect to any lease agreements now or hereafter executed by the Corporation, as lessor or lessee, with respect to the Mortgaged Property or any portion thereof, together with all rents and moneys payable to the Corporation as lessor thereunder and existing or future guaranties of all or any of the obligations of any lessee or lessees under such leases, and full power and authority to demand, sue for, recover, receive and give receipts for all rents and other moneys payable to the Corporation as lessor thereunder, and all of the Corporation's right, title and interest in any property, real, personal or mixed, which is the subject of any such leases; and

G. any and all additional land or interest therein and/or improvements to land which may be added to the Mortgaged Property by Supplemental Indenture or by any amendment or supplement to the Loan Agreement.

H. All of the right, title and interest of the Corporation in and to each certificate of need issued by or on behalf of the State of Florida for the Facilities, subject to State review and approval in accordance with law.

"Net Condemnation Proceeds" shall have the meaning defined in Section 7.14(b) of the Amended Loan Agreement.

"Net Income" shall mean for any Fiscal Year, the Net Revenue, plus other operating and nonoperating income, less all Operating Expenses and nonoperating expenses of the Corporation, including depreciation, amortization and interest expenses, as determined in accordance with Generally Accepted Accounting Principles consistently applied. In calculating Net Income, there shall be excluded: extraordinary gains and losses; any gains or losses from the disposition of capital assets or the refinancing of Indebtedness; the proceeds received from insurance policies, condemnation awards; any gifts, grants, bequests or contributions, or the income therefrom to the extent that the same (i) may not be pledged or applied to the payment of Debt Service Requirements or any Operating Expenses of the Corporation as a result of restrictions or designations imposed by the donor or maker of the gift, grant, bequest or contribution in question at the time of the making thereof, or (ii) is in excess of the average amount of unrestricted gifts, grants, bequests or contributions received during the last three Fiscal Years.

"Net Insurance Proceeds" shall have the meaning defined in Section 7.13(b) of the Amended Loan Agreement.

"Net Property, Plant and Equipment" shall mean the net book value of the property, plant and equipment of the Corporation (after deduction of accumulated depreciation) as shown on the Corporation's audited financial statement for the most recent Fiscal Year.

"Net Revenue" shall mean, for any Fiscal Year, the gross revenues derived from services to residents, less: bad debt allowances and adjustments; contractual allowances and adjustments with third party payors; allowances and adjustments for free or reduced charge services and allowances; adjustments for discounts for prompt payment by payors.

"Note" shall mean ~~that certain~~ promissory note of the Corporation dated , 2007, in the original principal amount of \$14,505,000 delivered by the Corporation to the Issuer and thereafter assigned to the Trustee to evidence its ~~the Corporation's~~ obligation to repay the Loan, ~~in substantially the form a true and correct copy of which is~~ attached to the Amended Loan Agreement as Exhibit "B", and any Supplemental Note.

~~"NRMSIR" means a nationally recognized municipal securities information repository, recognized by the Securities and Exchange Commission pursuant to SEC Rule 15c2-12. The name and address of each NRMSIR on the date of issuance of the 2007 Bonds are as follows:~~

Bloomberg Municipal Repositories
100 Business Park Drive Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
E-mail: munis@bloomberg.com

Standard & Poor's
Securities Evaluations, Inc.
55 Water Street, 45th Floor
New York, New York 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
Email: nrmsir_repository@sandp.com

DPC Data, Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 387-0721
Fax: (201) 947-0107
E-mail: nrmsir@dpcedata.com

FT Interactive Data
100 William Street, 15th Floor
New York, NY 10038
Attn: NRMSIR
Phone: (212) 771-6899; (800) 689-8466
Fax: (212) 771-7390
Email: NRMSIR@interactivedata.com

"Occupancy Covenant" shall have the meaning set forth in Section 7.02(b) of the Amended Loan Agreement, without regard to the provisions of Section 7.02(d) of the Amended Loan Agreement.

"Official Statement" shall mean a disclosure document by that name approved and executed by the Issuer for use in marketing the 2007 Bonds issued hereunder.

"Operating Expenses" shall mean the current expenses of operating the Facilities determined in accordance with Generally Accepted Accounting Principles.

"Original Loan Agreement" shall mean that certain *Loan Agreement, Mortgage and Security Agreement* dated as of February 1, 2007 between the Issuer and the Corporation and which is recorded in Official Records Book 2870, Page 1793 of the public records of St. Johns County, Florida.

"Outstanding", in connection with Long-Term Indebtedness and Bonds, shall mean, as of the time in question, all Long-Term Indebtedness or all Bonds or all Bonds of a specified series, which Bonds have been authenticated and delivered hereunder, except:

A. Long-Term Indebtedness theretofore cancelled or required to be cancelled, including Bonds cancelled pursuant to Section 2.07 and Section 2.09 hereof;

B. Long-Term Indebtedness for the discharge, cancellation, payment, redemption, retirement or purchase of which cash or Government or Equivalent Obligations, the principal of and interest on which, when due, will provide sufficient money without reinvestment to fully pay such Long Term Indebtedness (including Bonds in accordance with Article VII hereof) shall have been or shall concurrently be deposited with the Trustee or other fiduciary, as applicable; provided that, if such Long Term Indebtedness is being prepaid or redeemed prior to maturity, any required notice of prepayment or redemption shall have been given or, in the case of Bonds being redeemed, provision satisfactory to the Trustee shall have been made therefor, and that if such Bonds are being purchased, there shall be a firm commitment for the purchase and sale thereof; and

C. Long-Term Indebtedness in substitution for which other Indebtedness has been accepted, including Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II hereof.

“Participant” means a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository.

“Pavilion” shall mean the 59-bed assisted living facility located on the Site and known as the Pavilion.

“Permitted Encumbrances” shall have the meaning set forth in Section 7.06 of the Amended Loan Agreement.

“Permitted Indebtedness” shall mean Indebtedness permitted under the Amended Loan Agreement, including, but not limited to, Section 7.07 thereof.

“Person” shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a governmental body, any other political subdivision, municipality or municipality authority or any other group or organization of individuals.

“Plans and Specifications” shall mean the plans and specifications, if any, for any of the Facilities, the Project or a Capital Addition prepared by the Architect.

“Project” shall mean the construction and acquisition of expansion and interior renovations to the Facilities, including a new exterior exercise and nature walkway.

“Rate Covenant” shall have the meaning set forth in Section 7.02(a) of the Amended Loan Agreement, without regard to the provisions of Section 7.02(d) of the Amended Loan Agreement.

“Rebate Deposit” shall mean the deposit to the Rebate Fund required by Section 5.5 hereof.

“Rebate Fund” shall mean the Fund established by Section 5.05 hereof.

“Record Date” shall mean the fifteenth (15th) day of the calendar month next preceding any Interest Payment Date, provided that if such day is not a Business Day, the Record Date shall be the last preceding Business Day prior to the fifteenth (15th) day of the month.

“Redemption Price”, where used with respect to a Bond, shall mean the principal amount of such Bond plus accrued interest and any applicable premium, if any, payable upon redemption thereof pursuant to this Indenture.

“Registered Owner”, in connection with a Bond, shall mean the person or persons in whose name or names the particular Bond shall be registered on the books of the Issuer maintained by the Trustee kept for that purpose in accordance with the Indenture and the Bonds.

“Regulatory Body” shall mean any federal, state or local government, department, agency, authority or instrumentality (other than the Issuer) and other public or private body, including

accrediting organizations, having regulatory jurisdiction and authority over the Corporation or its facilities or operations.

“Renewal and Replacement Fund” shall mean the Fund established pursuant to Section 5.04 hereof.

“Renewal and Replacement Fund Requirement” shall mean \$750,000.

~~“Repository” shall mean, collectively, the NRMSIRs and the SID, if any.~~

“Repository” shall mean each entity authorized and approved by the Securities and Exchange Commission (the “SEC”) from time to time to act as a repository for purposes of complying with the Rule (defined in Section 7.16). The Repositories approved by the SEC may be found by visiting the SEC’s website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the Municipal Securities Rulemaking Board (the “MSRB”), which currently accepts continuing disclosure submissions through its EMMA (defined in Section 7.16) system for municipal securities disclosures.

“Reserve-Secured Bonds” shall mean the 2007A Bonds and each series of Additional Bonds.

“Reserved Rights” shall mean the rights of the Issuer under ~~the~~either the Original Loan Agreement or the Amended Loan Agreement to receive indemnification, reimbursement of expenses and advances, legal defense by the Corporation of claims against the Issuer, and the non-exclusive right of the Issuer, independently of or jointly with the Trustee, to require the Corporation to use the Mortgaged Property for a Health Care Enterprise, to receive information and reports, and to perform such functions as the Issuer in its discretion deems advisable.

“Securities Depository” shall mean The Depository Trust Company and any substitute for or successor to such securities depository that shall maintain a Book Entry System with respect to the Bonds.

“Securities Depository Nominee” shall mean the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books the Bonds to be delivered to such Securities Depository during the continuation with such Securities Depository of participation in its Book Entry System.

“Short Term Indebtedness” shall mean Indebtedness of the Corporation maturing or payable at the option of the obligee not more than 365 days after it is incurred, excluding the current portion of any Long Term Indebtedness.

~~“SID” means the state information depository, if any, recognized by the Securities and Exchange Commission pursuant to SEC Rule 15c2-12. The name and address of each SID on the date of issuance of the 2007 Bonds are as follows:~~

None

"Site" shall mean the realty described in Exhibit A-1 attached to the Amended Loan Agreement, together with all appurtenances thereto.

"Special Payment Date" shall mean the date established by the Trustee pursuant to the procedures set forth herein for the payment of defaulted interest on any 2007 Bond.

"Special Record Date" shall mean the date which is fifteen (15) days prior to a Special Payment Date.

"State" shall mean the State of Florida.

"Supplemental Indenture" or "indenture supplemental hereto" shall mean any indenture amending or supplementing this Indenture which may be entered into in accordance with the provisions of this Indenture.

"Supplemental Note" shall mean any promissory note delivered by the Corporation to evidence its obligation to repay a loan made by the Issuer to the Corporation from the proceeds of Additional Bonds.

"Tax-Exempt Bonds" shall mean any series of Bonds originally issued with the intent that interest thereon shall be excluded from gross income for federal income tax purposes. The 2007A Bonds shall be Tax-Exempt Bonds.

"Trust Estate" shall mean the interests granted by the Issuer to the Trustee pursuant to the Granting Clauses hereof.

"Trustee" shall mean UMB Bank, N.A., as successor to the original trustee, The Bank of New York Trust Company, N.A., Jacksonville, Florida, a national banking association, and its successor or successors as Trustee under this Indenture.

"Working Capital Fund – Sale Proceeds Account" shall mean that certain account held at U.M.B. Bank, N.A. (Account No. [REDACTED]) which is maintained for the purposes of and in accordance with the provisions of Section 7.19 of the Amended Loan Agreement and Section [REDACTED] of this Indenture.

Section 1.02 Interpretation. The words "hereof", "herein", "hereto", "hereby", and "hereunder" (except in the form of 2007 Bonds or Additional Bonds), refer to the entire Indenture.

Every "request", "requisition", "order", "demand", "application", "notice", "statement", "certification", "consent" or similar action hereunder by the Issuer shall, unless the form thereof is specifically provided, be in writing signed by a Person authorized to sign a Certificate of the Issuer, and any such writing or action hereunder by Trustee shall, unless the form thereof is specifically provided, be in writing signed by an Authorized Trustee Representative.

Words importing persons include firms, associations and corporations, and all words importing the singular number include the plural number and vice versa; and all words importing the masculine gender import the feminine gender and vice versa.

All words and terms used in this Indenture and not defined above or elsewhere herein shall have the same meanings as set forth in the Amended Loan Agreement, if defined therein.

Whenever in this Indenture any consent, permission or approval is required, such consent, permission or approval shall not be unreasonably or untimely withheld.

ARTICLE II DESCRIPTION, EXECUTION AND REGISTRATION OF BONDS

Section 2.01 Amount and Terms of 2007 Bonds and Other Series of Bonds.

(a) Series-2007A Bonds. There are hereby authorized for issuance hereunder the 2007A Bonds, in the principal amount of \$14,335,000. The 2007A Bonds shall be issued as fully registered bonds, numbered from R-1 and upward, in the denomination of \$5,000 or integral multiples thereof, and shall be substantially in the form attached hereto as Exhibit A with appropriate insertions, omissions and variations. The 2007A Bonds shall be dated February 22, 2007, shall bear interest at the rates per annum as shown below, payable on each Interest Payment Date, until maturity or prior redemption and shall mature in the amounts and on the dates set forth below:

TERM BONDS

Maturity Date (October 1)	Principal Amount	Interest Rate	CUSIP #
2017	\$1,865,000	5.00%	79039NAW8
2027	3,205,000	5.20%	79039NAX6
2041	9,265,000	5.25%	79039NAY4

Interest (calculated on the basis of twelve (12) 30-day months in a 360-day year) is payable on the 2007A Bonds from the dated date of the 2007A Bonds or from such later date to which interest has been paid.

The 2007A Bonds shall be subject to redemption and acceleration prior to maturity on the terms and conditions set forth therein and ~~on the terms and conditions set forth in~~ Articles VII and IX hereof. The principal, premium, if any, and interest payable under the 2007A Bonds shall be paid only out of the Trust Estate.

(b) Series-2007B Bonds. (1) There are hereby authorized for issuance hereunder the 2007B Bonds, in the principal amount of \$170,000. The 2007B Bonds shall be issued as fully registered bonds, numbered from R-1 and upward, in the denomination of \$5,000 or integral multiples thereof, and shall be substantially in the form attached hereto as Exhibit A with appropriate insertions, omissions and variations. The 2007B Bonds shall be dated February

22, 2007, shall bear interest at the rates per annum as shown below, payable on each Interest Payment Date, until maturity or prior redemption and shall mature in the amounts and on the dates set forth below:

Taxable Series-2007B Bonds

<u>Maturity Date</u> <u>(April 1)</u>	<u>Principal\</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP #</u>
April 1, 2008	\$170,000	8.00%	79039NAZ1

Interest (calculated on the basis of twelve (12) 30-day months in a 360-day year) is payable on the 2007B Bonds from the dated date of the 2007B Bonds or from such later date to which interest has been paid.

The 2007B Bonds shall be subject to redemption and acceleration prior to maturity on the terms and conditions set forth therein and ~~on the terms and conditions set forth in Articles VII and IX hereof.~~ The principal of, premium, if any, and interest on the 2007B Bonds shall be paid only out of the Trust Estate.

(c) Other Series. Bonds of other series may contain such terms, conditions and covenants, not contrary to the Act or this Indenture, as may be determined by the Issuer and expressed in such Bonds and in a Supplemental Indenture which shall set forth the forms of the Bonds of such additional series. Bonds issued hereunder may be for various principal amounts, may bear different dates and may mature at different times, may bear interest at different rates, may differ as to security or source of payment and may otherwise vary as in this Indenture permitted.

Section 2.02 Place, Manner and Source of Payment of Bonds. The principal of, interest and premium, if any, on the Bonds shall be payable in lawful money of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. Principal on Bonds shall be payable at the designated corporate trust office of the Trustee, or at the office of its successor in trust, ~~upon without presentation and surrender of the Bonds as the same shall become due and payable.~~ Promptly following payment in full of the principal on such Bonds, the Bonds shall be deemed cancelled upon payment. Interest on the Bonds will be paid on each Interest Payment Date by check or draft mailed by the Trustee (or by wire transfer to a designated bank in the United States for the account of Registered Owners of \$500,000 or more in aggregate principal amount of Bonds, pursuant to instructions filed by such Registered Owners with the Trustee), to the person in whose name a Bond is registered on the registration books of the Issuer maintained by the Trustee, at the close of business on the Record Date, and at the address appearing on such registration books. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Registered Owner as of the Record Date, and shall be payable on the Special Payment Date to the person who is the Registered Owner at the close of business on the Special Record Date. The Special Payment Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and written notice of the Special Payment Date (in the name and with the effects provided in Article VII hereof

with respect to notice of redemption) shall be given to the Registered ~~Owners~~Owner as of the Special Record Date not less than ten (10) days prior to the Special Payment Date.

Section 2.03 Registration, Exchange and Transfer of Bonds. No transfer or exchange of Bonds shall be valid unless made by the Registered Owner in person or by his duly authorized attorney at the principal corporate trust office of the Trustee, upon surrender of such Bonds accompanied by a duly executed instrument of transfer or exchange in form and with guaranty of signature satisfactory to the Trustee. Upon such transfer or exchange a new fully registered Bond or Bonds of the same series, same maturity, in authorized denominations, and bearing the same rate of interest shall be issued to the transferee and/or the transferor. The Issuer shall exchange, register or transfer or cause to be exchanged, registered or transferred Bonds, as therein provided, and under such reasonable regulations as it or the Trustee may prescribe. Bonds of a particular denomination may be exchanged for Bonds of like tenor with different authorized denominations.

The Trustee is not required to exchange or transfer: (1) any Bond during a period beginning at the opening of business on any date when the Bonds, or portions thereof, are selected for redemption and ending at the close of business on the day of mailing of a notice of redemption of such Bonds; or (2) any Bond so selected for redemption in whole or in part.

The Issuer shall keep, at the principal corporate trust office of the Trustee, books for the registration and transfer of Bonds, and hereby appoints the Trustee its registrar and transfer agent to keep such books and make such registrations under such reasonable regulations as the Trustee may prescribe and as set forth in the form of Bonds herein. Registrations and transfers shall be without charge to the Bondholder, but the Bondholder shall pay any taxes or other governmental charges on all registrations and transfers and shall pay costs of insuring Bonds during shipment.

Section 2.04 Ownership of Bonds. The Issuer and the Trustee shall treat the Registered Owner of any Bond as the absolute owner of such Bond for all purposes whether or not such Bond shall be overdue, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. All payments of the principal, interest and redemption premium made to the Registered Owner of any Bond in the manner set forth therein and in the Indenture shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, whether or not notation of the same be made thereon, and any consent, waiver or other action taken by the Registered Owner of any Bond shall be conclusive and binding upon such Registered Owner, his heirs, successors or assigns, and upon all transferees of such Bonds whether or not notation of such consent, waiver or other action shall have been made on such Bond or on any Bond issued in exchange therefor.

Section 2.05 Execution. The Bonds shall be executed by the manual or facsimile signature of the Chairman or Vice Chairman of the Issuer, and its corporate seal thereon (which may be in facsimile if permitted by law) shall be attested by the manual or facsimile signature of its Secretary or Assistant Secretary. Bonds executed by facsimile signatures as above provided may be issued and shall, upon request of the Issuer, be authenticated by the Trustee, notwithstanding that one or both of the officers signing such Bonds shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds.

Section 2.06 Authentication. No Bonds shall be valid until the certificate of authentication shall have been duly and manually executed by the Trustee, and such authentication shall be proof that the Registered Owner is entitled to the benefit of the trust hereby created.

Section 2.07 Mutilated, Destroyed, Lost or Stolen Bonds. If any Bond shall become mutilated, the Issuer shall execute and the Trustee shall thereupon authenticate and deliver a new Bond of like series, tenor and denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of such mutilated Bond for cancellation, and the Issuer and the Trustee may require reasonable indemnity therefor. If any Bond shall be reported lost, stolen or destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the Trustee; and if such evidence shall be satisfactory to the Trustee and indemnity of the Trustee and the Issuer satisfactory to the Trustee shall be given, the Issuer shall execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of like series, tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Bondholder for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the Issuer may, with the consent of the Trustee, pay to the Registered Owner the principal amount of such Bond upon the maturity thereof and the compliance with the aforesaid conditions by such Registered Owner, without the issuance of a substitute Bond therefor, and likewise pay to the Registered Owner the amount of the unpaid interest.

Every substituted Bond issued pursuant to this Section 2.07 shall constitute an additional contractual obligation of the Issuer, whether or not the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds of the same series duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

Section 2.08 Temporary Bonds. Pending preparation of definitive Bonds of any series, or by agreement with the purchasers of all Bonds of any series, the Issuer may issue and, upon its request, the Trustee shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds in denominations of \$5,000 and multiples thereof of substantially the tenor recited above in fully registered form without coupons. Upon request of the Issuer, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 2.09 Cancellation and Destruction of Surrendered Bonds. All Bonds surrendered for payment or redemption and all Bonds purchased with moneys available for that purpose in any Fund established under this Indenture shall, at the time of such payment, redemption or purchase, be cancelled and destroyed by the Trustee. The Trustee shall deliver to

the Issuer and to the Corporation a certificate of destruction in respect of all Bonds destroyed in accordance with this Section.

Section 2.10 Credit of State and County Not Pledged. The face of the Bonds shall contain substantially the following statement:

“NEITHER THE FAITH AND CREDIT OF THE AUTHORITY, ST. JOHNS COUNTY, OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, NOR THE TAXING POWER OF THE AUTHORITY, ST. JOHNS COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF, THE INTEREST ON, OR THE PREMIUM, IF ANY, PAYABLE UPON THIS BOND. THIS BOND SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, OR A LIEN UPON ANY PROPERTY OWNED BY OR SITUATED WITHIN THE JURISDICTIONAL TERRITORIAL LIMITS OF THE AUTHORITY, EXCEPT UPON THE TRUST ESTATE. THE REGISTERED OWNER OF THIS BOND SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE AUTHORITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF TO (I) LEVY ANY AD VALOREM TAXES ON ANY PROPERTY TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR TO MAKE ANY OTHER PAYMENTS PROVIDED FOR UNDER THE LOAN AGREEMENT OR THE INDENTURE, (II) PAY THE SAME FROM ANY FUNDS OTHER THAN THOSE PLEDGED UNDER THE INDENTURE, IN THE MANNER PROVIDED THEREIN, OR (III) REQUIRE OR ENFORCE ANY PAYMENT OR PERFORMANCE BY THE CORPORATION PROVIDED BY THE INDENTURE OR THE LOAN AGREEMENT UNLESS THE AUTHORITY’S EXPENSES IN RESPECT THEREOF SHALL BE PAID FROM THE TRUST ESTATE OR SHALL BE ADVANCED TO THE AUTHORITY FOR SUCH PURPOSE, AND THE AUTHORITY SHALL RECEIVE INDEMNITY TO ITS SATISFACTION. NO COVENANT OR AGREEMENT CONTAINED IN THIS BOND OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER, OFFICIAL, AGENT OR EMPLOYEE OF THE AUTHORITY IN HIS INDIVIDUAL CAPACITY, AND NEITHER THE MEMBERS OF THE GOVERNING BODY OF THE AUTHORITY NOR ANY OFFICIAL EXECUTING THIS BOND SHALL BE LIABLE PERSONALLY ON THIS BOND OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THIS BOND, ALL SUCH LIABILITY BEING RELEASED AS A CONDITION OF, AND AS A CONSIDERATION FOR, THE EXECUTION OF THE INDENTURE AND THE ISSUANCE OF THIS BOND.”

Section 2.11 Book Entry System.

(a) The Bonds shall be issued pursuant to a Book Entry System administered by the Securities Depository with no physical distribution of Bond certificates to be made except as provided in this Section 2.11. Any provision of this Indenture or the Bonds requiring physical delivery of the Bonds shall, with respect to any Bonds held under the Book Entry System, be deemed to be satisfied by a notation on the bond registration books maintained by the Trustee that

such Bonds are subject to the Book Entry System. If at any time the Securities Depository ceases to hold the Bonds, all references herein to the Securities Depository shall be of no further force and effect.

(b) So long as a Book Entry System is being used, one Bond for each maturity of each series of the Bonds in the aggregate principal amount of such Bonds and registered in the name of the Securities Depository Nominee will be issued and required to be deposited with the Securities Depository and held in its custody. The Book Entry System will be maintained by the Securities Depository and the Participants and Indirect Participants and will evidence beneficial ownership of the Bonds, with transfers of ownership effected on the records of the Securities Depository, the Participants and the Indirect Participants pursuant to rules and procedures established by the Securities Depository, the Participants and the Indirect Participants. The principal of and interest on each Bond shall be payable to the Securities Depository Nominee or any other person appearing on the Registration Books as the registered Holder of such Bond or its registered assigns or legal representative at the principal office of the Trustee. So long as the Book Entry System is in effect, the Securities Depository will be recognized as the Holder of the Bonds for all purposes. Transfers of principal and interest payments or notices to Participants and Indirect Participants will be the responsibility of the Securities Depository. Transfers of principal and interest payments or notices to Beneficial Owners will be the responsibility of the Participants and the Indirect Participants. No other party will be responsible or liable for such transfers of payments or notices or for maintaining, supervising or reviewing such records maintained by the Securities Depository, the Participants or the Indirect Participants. While the Securities Depository Nominee or the Securities Depository, as the case may be, is the registered owner of the Bonds, notwithstanding any other provisions set forth herein, payments of principal of and interest on the Bonds shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of said Holder. Without notice to or the consent of the Beneficial Owners, the Trustee, with the consent of the Company, and the Securities Depository may agree in writing to make payments of principal, redemption price and interest in a manner different from that set out herein. In such event, the Trustee shall make payments with respect to the Bonds in such manner as if set forth herein.

(c) The Corporation may at any time elect (i) to provide for the replacement of any Securities Depository as the depository for the Bonds with another qualified Securities Depository, or (ii) to discontinue the maintenance of the Bonds under a Book Entry System. In such event, the Trustee shall give 30 days' prior notice of such election to the Securities Depository (or such fewer number of days as shall be acceptable to such Securities Depository).

(d) Upon the discontinuance of the maintenance of the Bonds under a Book Entry System, the Issuer will cause Bonds to be issued directly to the Beneficial Owners of Bonds, or their designees, as further described below. In such event, the Trustee shall make provisions to notify Participants and the Beneficial Owners of the Bonds, by mailing an appropriate notice to the Securities Depository, that Bonds will be directly issued to the Beneficial Owners of Bonds as of a date set forth in such notice, which shall be a date at least 10 days after the date of mailing of such notice (or such fewer number of days as shall be acceptable to the Securities Depository).

(e) In the event that Bonds are to be issued to the Beneficial Owners of the Bonds, or their designees, the Issuer, at the expense of the Corporation, shall promptly have prepared Bonds in certificated form registered in the names of the Beneficial Owners of Bonds shown on the records of the Participants provided to the Trustee, as of the date set forth in the notice described above. Bonds issued to the Beneficial Owners, or their designees, shall be in fully registered form substantially in the form set forth in Exhibit A.

(f) If any Securities Depository is replaced as the depository for the Bonds with another qualified Securities Depository, the Issuer, at the expense of the Company, will issue to the replacement Securities Depository Bonds substantially in the form set forth in Exhibit A, registered in the name of such replacement Securities Depository.

(g) The Issuer, the Corporation and the Trustee shall have no liability for the failure of any Securities Depository to perform its obligation to any Participant, any Indirect Participant or any Beneficial Owner of any Bonds, and the Issuer, the Corporation or the Trustee shall not be liable for the failure of any Participant, Indirect Participant or other nominee of any Beneficial Owner of any Bonds to perform any obligation that such Participant, Indirect Participant or other nominee may incur to any Beneficial Owner of the Bonds.

(h) Notwithstanding any other provision of this Indenture, on or prior to the Delivery Date the Issuer shall have executed and delivered to the initial Securities Depository a Letter of Representations governing various matters relating to the Securities Depository and its activities pertaining to the Bonds. The terms and provisions of such Letter of Representations are incorporated herein by reference and, in the event there shall exist any inconsistency between the substantive provisions of the said Letter of Representations and any provisions of this Indenture, then, for as long as the initial Securities Depository shall serve with respect to the Bonds, the terms of the Letter of Representations shall govern.

(i) The Issuer, the Corporation and the Trustee may rely conclusively upon (i) a certificate of the Securities Depository as to the identity of the Participants in the Book Entry System; (ii) a certificate of any Participant as to the identity of any Indirect Participant and (iii) a certificate of any Participant or Indirect Participant as to the identity of, and the respective principal amount of Bonds beneficially owned by, the Beneficial Owners.

~~ARTICLE III~~ ~~ISSUE OF 2007 BONDS; ADDITIONAL BONDS~~
ISSUE OF 2007 BONDS; ADDITIONAL BONDS

Section 3.01 Issuance of 2007 Bonds. The Issuer ~~shall issue~~ issued the 2007 Bonds upon execution and delivery of ~~this~~ the Original Indenture; and the ~~Prior Trustee~~ shall, upon receipt of the following items and at the Issuer's written request, ~~authenticate~~ authenticated such 2007 Bonds and ~~deliver~~ delivered them as specified in the request:

A. An original executed counterpart of ~~this~~ the Original Indenture.

B. An original executed counterpart of the Lease and the Original Loan Agreement, with proof satisfactory to the Trustee that each ~~has~~had been recorded in the official public records of St. Johns County.

C. A written request and authorization from the Issuer to the Trustee, to, upon receipt of the items set forth in Section 3.01 of the Original Indenture, deliver the 2007 Bonds to the purchasers thereof in the form and amount requested, upon payment to the Trustee, for the account of the Issuer, of a specified sum plus accrued interest on the 2007 Bonds to the date of delivery thereof.

D. ALTA leasehold mortgagee's policy of title insurance from Attorneys Title Insurance Fund in an amount equal to \$14,505,000 with respect to the Lease insuring or committing to insure the Corporation, with the Issuer and Trustee named as co-insured, that title to the leasehold estate is in the Corporation and that there ~~are~~were no liens or encumbrances on the Site except the Lease and Permitted Encumbrances.

E. Copies of executed Form UCC-1 Financing Statements with respect to (i) the Trust Estate, executed by the Issuer as debtor and the Trustee as secured party, and (ii) the Gross Revenues executed by the Corporation as debtor, and the Issuer as secured party, and listing the Trustee as assignee of the Issuer; with assurances from Bond Counsel that the originals have been, or ~~are presently~~were being, filed with the Clerk of the Circuit Court for St. Johns County, Florida, and with the Secretary of State of the State and an Opinion of Counsel to the Corporation that the Corporation ~~has~~had created no other lien or encumbrance on the Trust Estate other than in the Original Loan Agreement and Permitted Encumbrances, as defined in the Original Loan Agreement ~~has~~had been duly perfected by such filing to the extent perfection ~~may~~could be achieved by filing.

F. Insurance Consultant's certificate evidencing compliance with the insurance requirements contained in Sections 3.02(d) and (e) and 7.11 of the Loan Agreement.

G. Current surveys by a State licensed surveyor showing access to the Site and other Mortgaged Property from a public road, showing the location of the Site to be the location described in the proof of publication of the TEFRA Notice (see clause H below) and showing the location of the improvements located on that portion of the Mortgaged Property described on Exhibit A-2 attached to the Original Loan Agreement.

H. Copy of Proof of Publication of the Notice of Public Hearing, including the Notice (TEFRA Notice) published at least fourteen (14) days prior to the public hearing held by the Issuer on January 8, 2007, and evidence of subsequent approval of the 2007 Bonds by the Board of County Commissioners of St. Johns County, Florida.

I. A copy of the completed IRS Form 8038 relating to the 2007 Bonds.

J. Articles of Incorporation, as amended, of the Corporation certified by the Secretary of State of the State, together with a certificate of good standing with respect to the Corporation issued by the Secretary of State of the State.

K. Letter or certificate from the Internal Revenue Service confirming that the Corporation ~~is~~was exempt from federal income tax by virtue of being an organization described in Section 501(c)(3) of the Code.

L. An opinion of Bond Counsel addressed to the Issuer and the Trustee, to the effect that (i) the 2007 Bonds ~~are~~were legal and valid, and (ii) that under existing laws, regulations, rulings and court decisions, the interest on the 1997A Bonds is not included in gross income for federal income tax purposes, assuming continued compliance by the Issuer and the Corporation with their covenants to comply with the requirements of Section 148 of the Code and to take no action nor execute any other instrument which would adversely affect the exclusion of interest on the 2007A Bonds from gross income.

M. Original executed counterparts of the Note, the Bond Purchase Contract and the Official Statement for the 2007 Bonds.

N. Such other instruments as the Trustee or Issuer ~~may reasonably~~ requested.
~~request.~~

Section 3.02 Issuance of Additional Bonds.

~~(a) — The~~ (a) With the exception of Additional Bonds issued to fully refund the 2007A Bonds at the Redemption Price, Additional Bonds may not be issued for the benefit of the Corporation without the writing consent of the Majority of Bondholders, which consent may be withheld in their sole and absolute discretion. Subject to the forgoing limitation, the Issuer may issue Additional Bonds hereunder from time to time on a parity with the Bonds for any of the purposes listed below:

(i) To pay the Cost of completing the Project or completing a Capital Addition based on the original general design and scope of the Project or such Capital Addition set forth in the original plans and specifications therefor, with such changes as may have become necessary to carry out such original design, or to reimburse the Corporation for any such Costs;

(ii) To pay the Cost of Capital Additions or to reimburse expenditures of the Corporation for any such Cost; or

(iii) To pay the Cost of refunding through redemption of any Outstanding Bonds issued hereunder and subject to such redemption.

(b) In any such event the Trustee shall, at the request of the Issuer, authenticate the Additional Bonds and deliver them as specified in the request, but only upon receipt of the requisite consent of the Beneficial Owners and the following documents:

(i) For Additional Bonds described in paragraph (a)(i) above:

(A) if the principal amount of the Additional Bonds to be issued exceeds ten percent (10%) of the principal amount of Bonds or Long-Term Indebtedness initially issued to finance the Project or Capital Addition, (1) a Corporation Certificate showing that (x) the Debt Service Coverage Ratio for the last Fiscal Year was at least 1.25 at the end of such Fiscal Year, and (y) the Liquidity Covenant was met as of the last evaluation date, together with either (2) a Feasibility Report meeting the requirements of Section 7.07(a)(iii) of the Loan Agreement, or (3) a Corporation Certificate meeting the requirements of Section 7.07(a)(iv) of the Loan Agreement, or (4) a Feasibility Report stating that the forecasted Debt Service Coverage Ratio for each of the two Fiscal Years immediately following the completion of the Bayview Project or the Capital Addition financed with the Additional Bonds will be not less than such forecasted Debt Service Coverage Ratio would have been had such Additional Bonds not been issued; and

(B) a Certificate of the Architect stating (i) the estimated Cost of completion of the Bayview Project or the Capital Addition and (ii) that all approvals required for completion of the Bayview Project or Capital Addition have been obtained, other than building permits for the Bayview Project or such Capital Addition which, based on consultations with the Corporation and its construction consultant, if any, will be obtained in due course so as not to interrupt or delay construction of the Bayview Project or such Capital Addition and other than licenses or permits required for occupancy or operation of the Bayview Project or such Capital Addition upon its completion;

(ii) For Additional Bonds described in paragraph (a)(ii) above,

(A) a Corporation Certificate showing that (x) the Debt Service Coverage Ratio for the last Fiscal Year was at least 1.25 at the end of such Fiscal Year, (y) the Liquidity Covenant was met as of the last evaluation date, and (z) all required deposits into the Renewal and Replacement Fund have been made;

(B) either (1) a Feasibility Report meeting the requirements of Section 7.07(a)(iii) of the Loan Agreement or (2) a Corporation Certificate meeting the requirements of Section 7.07(a)(iv) of the Amended Loan Agreement;

(C) a Corporation Certificate stating that (i) the proceeds of the Additional Bonds plus other amounts, if any, available to the Corporation for the purpose will be sufficient to pay the Cost of the Capital Additions to be financed; and (ii) ~~the~~ the payments and additional payments, if ~~any~~ any, scheduled to be paid by the Corporation under the Amended Loan Agreement will be adequate to satisfy in each Fiscal Year the Debt Service Requirements on the Bonds to remain Outstanding during the remaining life thereof and to provide for any deficiencies existing on the date of such certification in any funds required to be maintained hereunder;

(iii) For any Additional Bonds described in paragraph (a)(iii) above, (A) a Corporation Certificate that notice of redemption of the Bonds to be refunded has been given or that provisions have been made therefor, and (B) a Certificate of an Accountant stating that the proceeds of the Additional Bonds plus the other amounts, if any, stated to be available for the purpose, will be sufficient to accomplish the purpose of the refunding and to pay the Cost of refunding, which shall be itemized in reasonable detail;

(iv) (A) A Supplemental Indenture setting forth the terms of the Additional Bonds and, for Additional Bonds described in paragraphs (a)(i) or (ii) above, describing the Capital Additions to become part of the Mortgaged Property, and providing for additional payments to be made by the Corporation sufficient to cover the Debt Service Requirement on the Additional Bonds; and (B) for Additional Bonds described in paragraphs (a)(i) or (ii) above, a supplement to the Mortgage providing for a supplemental mortgage and security interest relating to the Capital Additions and any specified increase in other payments to the funds hereunder;

(v) For any Additional Bonds, a Corporation Certificate stating that all conditions precedent to the incurring of Long-Term Indebtedness for the Additional Bonds required by Section 7.07(a)(i) and (ii) of the Amended Loan Agreement have been met;

(vi) For any Additional Bonds, a Certified Resolution of the Issuer (A) stating the purpose of the issue, (B) establishing the series of Additional Bonds to be issued and providing the terms and form of Additional Bonds thereof and directing the payments to be made into the funds hereunder, (C) authorizing the execution and delivery of the Additional Bonds to be issued and (D) authorizing redemption of any previously issued Bonds which are to be refunded;

(vii) For any Additional Bonds, a Corporation Certificate stating (A) that it has no knowledge that an Event of Default hereunder has occurred and is continuing (except, in the case of Additional Bonds described in paragraph (a)(i) above, for an Event of Default, if any, resulting from non-completion of the Project or applicable Capital Addition) and (B) that the proceeds of the Additional Bonds plus other amounts, if any, stated to be available for that purpose will be sufficient to pay the Costs for which the Additional Bonds are being issued, which shall be itemized in reasonable detail;

(viii) For any Additional Bonds, a Certified Resolution of the Corporation (A) approving the issuance of the Additional Bonds and the terms thereof, (B) authorizing the execution of any required amendments or supplements to the Amended Loan Agreement and the Mortgage, (C) for Additional Bonds described in paragraphs (a)(i) or (ii) above, approving plans and specifications for the Facilities, and (D) for Additional Bonds described in paragraph (a)(iii) above, authorizing redemption of the Bonds to be refunded;

(ix) For any Additional Bonds, an opinion or opinions of Bond Counsel that (A) the purpose of the Additional Bonds is one for which Additional Bonds may be issued under this Section, (B) all conditions prescribed herein as precedent to the issuance of the Additional Bonds have been fulfilled, (C) the Additional Bonds have been validly authorized and executed and when authenticated and delivered pursuant to the request of the Issuer will be valid, legally binding, limited obligations of the Issuer, enforceable against the Issuer in accordance with their terms (except to the extent that the rights and remedies created thereby is subject to bankruptcy, insolvency, reorganization, moratorium and similar laws effecting the rights and remedies of creditors and secured parties, and that the availability of specific enforcement, injunctive relief or other equitable remedies is subject to the discretion of the court before which any proceeding therefor may be brought) and are entitled to the benefit and security of this Indenture, (D) all consents of any regulatory bodies required as a condition to the valid issuance

of the Additional Bonds have been obtained and (E) issuance of such Additional Bonds will not adversely affect the tax status of Outstanding Bonds;

(x) For any Additional Bonds, an opinion of Counsel to the Corporation if the acquisition of any real property or interest therein is included in the purpose of such issue, that (A) the Corporation has good and marketable title thereto free of all liens and encumbrances except Permitted Encumbrances (provided that in lieu of such opinion, the Corporation may provide a policy of title insurance insuring the Corporation's interest is subject only to Permitted Encumbrances), (B) the Mortgage, as supplemented, constitutes a valid lien on such additional real property, subject only to Permitted Encumbrances (which opinion may be stated in reliance on the opinion of other counsel satisfactory to the signer or on a certificate of title or a title insurance policy issued by a reputable title company) and (C) for any Additional Bonds described in paragraphs (a)(i) or (ii) above, all consents of any Regulatory Bodies required as a condition to the acquisition or construction of the Facilities have been obtained except for such approvals as based on consultation with the Corporation, will be obtained in due course so as not to interrupt or delay construction; and

(xi) For any Additional Bonds, such amount from the proceeds of such Additional Bonds or other moneys provided by the Corporation, as may be necessary to cause the amount in the Debt Service Reserve Fund to be equal to the Debt Service Reserve Fund Requirement following issuance of such Additional Bonds.

Section 3.03 Disposition of Proceeds of 2007 Bonds and Other Moneys.¹

The Trustee shall apply the proceeds of the 2007 Bonds and other moneys as follows:

(1) 2007A Bonds.

(a) \$10,625,700.41 shall be deposited in the Escrow Deposit Trust Fund created pursuant to the Escrow Deposit Agreement to pay the principal of, and redemption premium and interest on the 1997A Bonds on the date of issuance of the 2007 Bonds upon the optional redemption of the 2007A Bonds on such date.

(b) \$542,843.41 shall be deposited into the Escrow Deposit Trust Fund created pursuant to the Escrow Deposit Agreement, to pay principal of and interest on 1997B Bonds issued to fund working capital, as such 1997B Bonds become due.

(c) \$900,000.00 shall be deposited in the Project Fund.

(d) \$907,572.50 shall be deposited in the Debt Service Reserve Fund.

(e) \$57,300.36 shall be deposited in the 2007A Bonds Account in the 2007 Bonds Expense Fund.

¹ The Trustee is the successor trustee for the 2007 Bonds and, therefore makes no representation as the actual use of proceeds from the sale of the 2007 Bonds as discussed herein.

(f) \$1,000,000 shall be deposited into a Trustee Working Capital Fund, and shall promptly be paid from the Trustee Working Capital Fund to the Corporation for deposit into the Corporation's Working Capital Fund established pursuant to Section 7.19 of the Original Loan Agreement.

(2) 2007B Bonds.

(a) \$20,899.95, together with \$39,228.24 held in the Interest Account and \$112,495.69 held in the Principal Account under the 1997 Indenture to pay ~~2007B~~1997B Bonds, and \$4,311.00 held in the Debt Service Reserve Fund, under the 1997 Indenture, derived from proceeds of the 1997B Bonds, shall be deposited in the Escrow Deposit Trust Fund created pursuant to the Escrow Deposit Agreement, to pay the principal of and interest on the 2007B Bonds as they become due.

(b) \$142,699.64 shall be deposited in the 2007B Bonds Account in the 2007 Bonds Expense Fund.

(3) Upon the issuance and delivery of Additional Bonds under Section 3.2 hereof, the Trustee shall apply the proceeds in accordance with the provisions of the Supplemental Indenture relating to such Additional Bonds.

Section 3.04 Closing Statement; Payment by Trustee.²

The Trustee shall establish a 2007 Bonds Expense Fund, and a 2007A Bonds Account and a 2007B Bonds Account therein, from which the Trustee is authorized to pay, in connection with the issuance of the 2007 Bonds, in amounts set forth in a Certificate of the Corporation, any or all Costs of issuance of the 2007 Bonds, including the balance of the Investment Banker's fees and expenses for underwriting the 2007 Bonds not taken as discount in computing the purchase price of the 2007 Bonds, if any, and all other amounts, if any, to be reimbursed to the Issuer, the Trustee or the Corporation, or any Person for advances on account of such Costs. Costs of issuance of the 2007 Bonds shall be paid first from money in the 2007A Bonds Account and then from the 2007B Bonds Account. Any costs of issuance of the 2007 Bonds in excess of the total deposit in the two accounts made on the date of issuance of the 2007 Bonds shall be paid from additional funds provided by the Corporation from sources other than tax-exempt bonds.

Amounts in the 2007 Bonds Expense Account shall be invested at the written direction of the Corporation in Investment Securities pending disbursement thereof.

Any balance in such Account after payment of all Costs of issuance of the 2007 Bonds shall be transferred to the Project Fund.

In connection with the issuance of any Additional Bonds, the Trustee shall pay the Costs of issuance thereof, but only from trust funds available for such purpose, in accordance with a Certificate of the Corporation.

² The Trustee is the successor trustee for the 2007 Bonds and, therefore makes no representation as the actual use of proceeds from the sale of the 2007 Bonds as discussed herein.

ARTICLE IV PROJECT FUND

Section 4.01 Establishment of Project Fund. The Trustee shall establish a Project Fund for the payment of Costs of Capital Additions to or for the Project and the Costs of any future Capital Additions involving construction or reconstruction or restoration for which the cost shall equal or exceed \$1,000,000 and the costs of repairs and replacements from insurance and condemnation awards as provided in Sections 7.13 and 7.14 of the Amended Loan Agreement. The Project Fund shall consist of any amounts the Issuer or the Corporation may deposit therein and any interest or income earned or received by reason of such amounts. The amounts in the Project Fund, until applied as hereinafter provided, shall be held for the security of all the Bonds Outstanding hereunder. In addition to the specific requirements of this Indenture, the Trustee shall maintain the Project Fund or any account thereof into which any governmental grant has been deposited in accordance with any applicable regulations or standards required under the terms of such grant. The Issuer may permit the Corporation, from time to time, to deposit money in the Project Fund for the purpose of financing Capital Additions to the Mortgaged Property. Separate accounts within the Project Fund shall be maintained by the Trustee upon request of the Issuer or the Corporation whenever, in the opinion of the Issuer or the Corporation, it is appropriate to have a separate accounting in respect of the Costs of any Capital Additions to the Mortgaged Property.

Section 4.02 Payments from Project Fund. The Trustee shall make payments from the Project Fund only upon receipt of:

(a) in every case, a requisition signed by an Authorized Corporation Representative substantially in the form attached hereto as Exhibit B certifying that the work to which the payment relates has been accomplished in a manner satisfactory to the Corporation and that the amount to be paid does not exceed the obligation on account of which the payment is made. Such requisition shall identify the portion of the Project or Capital Additions to which it relates and shall state (1) the name and address of the Person to whom the payment is to be made (who may be the Issuer or the Corporation if either is to be reimbursed for advances made or work done by it and properly chargeable against the Project Fund); (2) the amount to be paid; (3) the obligation on account of which the payment is to be made, showing the total obligation, any amount previously paid, and the unpaid balance; (4) that the obligation was properly incurred by the Issuer or by the Corporation, and is a Cost authorized by the Indenture to be paid from the Project Fund; (5) that the amount requisitioned is due and unpaid and has not been the subject of any previous requisition; (6) there is no event of default existing under the Amended Loan Agreement; and (7) that with respect to items covered in the requisition, there are no vendors, mechanics, or other liens, conditional liens, conditional sales contracts, chattel mortgages, leases of personalty, retain title agreements or security interests which should be satisfied or discharged before the payments as requisitioned therein are made, or which will not be discharged by such payment;

(b) in the case of payments under construction contracts for total Project costs in excess of \$500,000: a certificate of the Architect certifying (a) approval of the

requisition; (b) that the obligation was properly incurred; (c) that the amount requisitioned is due and unpaid; (d) that, insofar as the payment is to be made for work, material, supplies or equipment, the work has been performed and the material, supplies or equipment have been installed at the Mortgaged Property or have been delivered either at the Site (or in the case of fabricated materials, at such other place of storage as the Corporation, its construction consultant and the Architect for the Project or Capital Additions shall have approved) and are covered by builder's risk insurance; and (e) that all work, material, supplies and equipment for which payment is to be made are, in the signer's opinion, substantially in accordance with the Plans and Specifications; and

(c) In case the payment is to discharge indebtedness of the Issuer or the Corporation the proceeds of which were used for payments properly chargeable against the Project Fund, any notes or other evidences of the indebtedness to be discharged, which shall thereupon be cancelled by the Trustee and returned to the issuer thereof.

The Trustee may rely on the accuracy of the statements and other matters in the certificates and requisitions provided to it pursuant to this Section 4.02.

Section 4.03 Repayments. Whenever payments are to be made to reimburse the Issuer or the Corporation for advances or to discharge Indebtedness of the Issuer or the Corporation, the requisition and the certificate (if appropriate) shall relate to the underlying obligation for which the Issuer or the Corporation is being reimbursed or the payment of which the Indebtedness was incurred, and shall certify that such advances or indebtedness were for Costs of the Project.

Section 4.04 Procedure Upon Completion of Project or Capital Additions.

(a) Upon the completion of the Project or any Capital Additions, the Corporation shall furnish the Trustee with (1) a certificate of occupancy for the Project or the Capital Addition, or a Certificate signed by an Authorized Corporation Representative that a certificate of occupancy is not required, (2) a Certificate signed by an Authorized Corporation Representative stating that all required licenses from all applicable Regulatory Bodies have been obtained, (3) a Certificate signed by an Authorized Corporation Representative, which shall be given in reliance upon appropriate certifications of the Architect (with respect to work done under any construction contract for total Project costs in excess of \$500,000), showing such completion and the date thereof and certifying that all required insurance has been obtained, that all construction has been completed in accordance with the approved Plans and Specifications, if any, and approved changes, if any, and that all Costs of the Project or Capital Additions have been paid or stating the amounts to be reserved for the payment of any unpaid Costs, and (4) a contractor's affidavit, as described in Section 713.06, Florida Statutes, as amended, to be given as a prerequisite to final payment. The Trustee shall reserve the amount certified in clause (3) above to meet unpaid obligations, and shall thereafter transfer any balance in the Project Fund to the Debt Service Reserve Fund to the extent necessary to make up any deficiency therein and, then, to the Bond Fund.

(b) Upon completion of any Capital Additions financed with the proceeds of Additional Bonds, the Corporation shall furnish to the Trustee such additional certifications and other documents as may be required by the provisions of the Supplemental Indenture under which such Additional Bonds were issued.

ARTICLE V LOAN PAYMENTS; FUNDS

Section 5.01 Bond Fund.

(a) Establishment of Bond Fund and Accounts. The Trustee shall establish a Bond Fund, and within such fund, an Interest Account and a Principal Account. Moneys in the Interest Account shall be applied to pay the interest becoming due on the Bonds on each Interest Payment Date or redemption date. Moneys in the Principal Account shall be applied to pay the principal of the Bonds becoming due at maturity and the Redemption Price (except accrued interest) upon a call for redemption of any Bonds. If on any Interest Payment Date or principal payment date, the amount in the Interest Account or Principal Account is not sufficient to pay the interest or principal then due on the Bonds, the amounts available in such accounts shall be applied pro rata in proportion to the amounts becoming due on each respective series of the Bonds. Transfers from the Debt Service Reserve Fund shall then be applied solely to pay principal of and interest on Reserve-Secured Bonds.

(b) Purchase of Bonds. The Trustee shall, at the written request of the Corporation, purchase from the Corporation or any other ~~Registered~~Beneficial Owner of Bonds, for cancellation, Bonds coming due or subject to mandatory sinking fund redemption within the next ensuing twelve (12) months; provided, however, that no such purchase shall be made unless (i) sufficient funds are on hand in the Interest Account to pay accrued interest on the Bonds being purchased, (ii) sufficient funds are on hand in the Principal Account to pay the principal of all Bonds coming due or becoming subject to mandatory sinking fund redemption within the next ensuing twelve (12) months, (iii) the purchase price does not exceed 100% of the principal amount of the Bonds so to be purchased, and (iv) firm commitments for the purchase of such Bonds shall have been accepted in the case of Bonds subject to mandatory sinking fund redemption, at least fifteen (15) days prior to the giving of notice of such redemption by the Trustee, and in the case of maturing Bonds, at least fifteen (15) days prior to maturity. The Corporation shall receive credit against the Loan Payments required to be made under Section 5.01(a) of the Amended Loan Agreement in respect of the principal of and interest on the Bonds for any Bonds delivered by the Corporation to the Trustee for cancellation. The Trustee shall pay accrued interest on purchased Bonds from the Interest Account and the balance of the purchase price from the Principal Account.

Section 5.02 Debt Service Reserve Fund.

(a) The Trustee shall establish a Debt Service Reserve Fund to secure Reserve-Secured Bonds, which shall be funded at closing in an amount equal to the Debt Service

Reserve Fund Requirement. The Trustee shall make additional deposits in connection with the issuance of Additional Bonds, if and to the extent required under subsection (c) below, such amounts to be deposited the amount required under the Supplemental Indenture delivered in connection with the issuance of such Additional Bonds. In addition, if any withdrawal is made under subsection (b)(i) below, the Corporation shall pay to the Trustee for deposit into the Debt Service Reserve Fund an amount sufficient to restore such withdrawal in twelve (12) equal consecutive monthly installments, commencing on the first day of the month following such withdrawal. If on any Interest Payment Date the value of the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement with respect to the Reserve-Secured Bonds it secures, the Corporation shall pay to the Trustee for deposit into the Debt Service Reserve Fund, the amount of such deficiency in six equal monthly installments, commencing on the first day of the month following such Interest Payment Date.

(b) Moneys on deposit in the Debt Service Reserve Fund shall be applied as follows (unless otherwise provided herein):

(i) On the date of each required payment in respect of the Reserve-Secured Bonds, moneys in the Debt Service Reserve Fund shall be applied to cure any deficiency in the Bond Fund with respect to the Reserve-Secured Bonds; provided, however, that the Trustee shall have first exhausted any available amounts in the Renewal and Replacement Fund prior to applying amounts in the Debt Service Reserve Fund. The Corporation agrees that any transfer from the Debt Service Reserve Fund to the Bond Fund pursuant to this paragraph shall not be construed as preventing, waiving or curing any nonpayment of any Loan Payments required under Section ~~5.0-1-01~~(a) of the Amended Loan Agreement until the amount of such deficiency has been restored.

(ii) At the time of valuation, any amount in the Debt Service Reserve Fund in excess of the Debt Service Reserve Fund Requirement shall be transferred to the Bond Fund and, at the option of the Corporation, credited to either principal payments or interest payments in respect of the Reserve-Secured Bonds it secures, provided that during the construction period for the Project or any Capital Addition for which a Project Fund is established, such portion of the excess as may be necessary to cure a deficiency in the Project Fund shall be transferred thereto; and

(iii) In each month during the twelve-month period preceding the final maturity date of any series of Reserve-Secured Bonds (other than any series of Additional Bonds constituting Balloon Indebtedness), so long as no Event of Default has occurred and is continuing, moneys held in the Debt Service Reserve Fund shall be credited against the payment of principal of and interest on such Reserve-Secured Bonds and shall be transferred to the Bond Fund for the payment of such principal and interest.

(c) The Debt Service Reserve Fund Requirement for Reserve-Secured Bonds shall be recalculated as of each Interest Payment Date, and in connection with the Optional or Extraordinary Redemption of any Bonds or the issuance of any Additional Bonds.

~~Section 5.0 — [Reserved]~~

Section 5.03 Working Capital Fund – Sale Proceeds Account. The Trustee shall establish a Working Capital Fund – Sale Proceeds Account, into which a deposit of net proceeds from the sale of Buckingham Smith shall be deposited. So long as the Trustee has not received direction from a Majority of Bondholders to use the monies on deposit in the Working Capital Fund – Sale Proceeds Account to redeem 2007A Bonds to redeem a portion of the Outstanding 2007A Bonds, which redemption may be directed by the requisite Beneficial Owners at any time and in their sole discretion, the monies on deposit in the account may be used in accordance with Section 7.19 of the Amended Loan Agreement. Requests for funding by the Borrower for the use of monies on deposit in the Working Capital Fund – Sale Proceeds Account shall be submitted to the Trustee in the form attached hereto as Exhibit C.

Section 5.04 Renewal and Replacement Fund.

(a) The Trustee shall establish a Renewal and Replacement Fund, into which deposits shall be made at any time that the amount therein is less than the Renewal and Replacement Fund Requirement from Loan Payments made by the Corporation pursuant to Section 5.01(c) of the Amended Loan Agreement, in an amount sufficient to restore the Renewal and Replacement Fund balance to the Renewal and Replacement Fund Requirement, periodically as provided in Section 5.04(e) below.

(b) The Corporation shall also pay to the Trustee for deposit in the Renewal and Replacement Fund the proceeds from the sale of any depreciable property when required pursuant to Section 7.05(c) of the Amended Loan Agreement and proceeds of condemnation when required pursuant to Section 7.14(e) of the Amended Loan Agreement.

(c) So long as no Event of Default has occurred and is continuing hereunder, the Trustee, at the direction of the Corporation, shall withdraw from the Renewal and Replacement Fund and pay to the Corporation such amounts as the Corporation may certify in writing to the Trustee to be necessary for the payment of the Costs of: (1) construction or acquisition of Capital Additions; (2) renewal, renovation or replacement of any part of the Facilities; or (3) maintenance or repair of the Facilities of an extraordinary and nonrecurring nature; provided, however, that any such expenditure from the Renewal and Replacement Fund shall only be made for purposes which the Corporation shall certify to the Trustee are properly chargeable to plant or property account under ~~generally-accepted accounting principles~~ Generally Accepted Accounting Principles, are not included in the Corporation's regular capital budget for the then-current or any future Fiscal Year, and for which the Corporation does not have other moneys on hand for the payment of such amounts.

(d) In the event that the Corporation fails to make any Loan Payment due under Section 5.01(a) of the Amended Loan Agreement within the period provided in Section

5.01 of the Amended Loan Agreement, the Trustee shall withdraw such amount from the Renewal and Replacement Fund and deposit the same into the Interest Account or the Principal Account, as the case may be.

(e) The Corporation shall fund the Renewal and Replacement Fund by monthly deposits on the first day of each month in the amount of: ~~(1) through September, 2018, \$6,000 and (2) after September, 2018, \$7,500~~; provided, that no such deposit is required whenever the amount on deposit in the Renewal and Replacement Fund shall equal the Renewal and Replacement Fund Requirement;

Section 5.05 Rebate Fund.

(a) The Trustee shall establish a Rebate Fund. The Corporation shall cause an Independent firm of Accountants or tax compliance firm to annually make and promptly forward to the Trustee and the Corporation the computation of the Rebate Deposit described in the Investment Instructions with respect to any series of Tax-Exempt Bonds. If a deposit to the Rebate Fund is required as a result of such computation, the Corporation shall make such payment within fifteen (15) days after the end of the Bond Year that the payment is required. If a withdrawal from the Rebate Fund is permitted as a result of such computation, the Trustee shall transfer, at the direction of the Corporation, the amount of such permitted withdrawal to the Bond Fund. Records of the determinations required by this Section and the Investment Instructions shall be retained by the Trustee until six (6) years after the Bonds are no longer Outstanding.

(b) Interest and income earned on investments in the Rebate Fund shall be transferred to or retained in the Rebate Interest Account.

(c) Not later than thirty (30) days after the end of the fifth Bond Year, as defined in the Investment Instruction, and every five (5) years thereafter, the Trustee shall pay to the United States ninety percent (90%) of the amount required to be on deposit in the Rebate Principal Account as of such payment date and one hundred percent (100%) of the amount on deposit in the Rebate Interest Account as of such payment date. Not later than sixty (60) days after the final retirement of the applicable series of Tax-Exempt Bonds, the Trustee shall pay to the United States one hundred percent (100%) of the balance remaining in the Rebate Principal Account and the Rebate Interest Account. Each payment required to be paid to the United States pursuant to this Section shall be filed with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255. Each payment shall be accompanied by a copy of the Form 8038 originally filed with respect to such series of Tax-Exempt Bonds and Form 8038-T.

(d) This Section 5.05 may be superseded or amended by new Investment Instructions delivered by the Corporation and accompanied by an opinion of Bond Counsel addressed to the Trustee to the effect the use of the new Investment Instructions will not cause the interest on such series of Tax-Exempt Bonds to become included in gross income for Federal income tax purposes.

Section 5.06 Procedure When Funds Are Sufficient to Pay All Bonds.

(a) If at any time the amounts held by the Trustee in the Bond Fund and Debt Service Reserve Fund are sufficient to pay principal and interest on all Bonds Outstanding to maturity or prior redemption, together with, in the Rebate Fund, any required Rebate Deposits and any amounts due the Issuer and the Trustee under Section 5.02 of the Amended Loan Agreement, the Trustee shall notify the Corporation to that effect and thereafter the Trustee shall apply the amounts in the Bond Fund and Debt Service Reserve Fund to the payment of such principal and interest and the Corporation shall not be required to pay over any further Loan Payments to the Trustee under Sections 5.01(a) or 5.01(b) unless and until it shall appear there is a deficiency in such Funds of moneys for such purposes.

(b) After all principal of and interest on the Bonds have been paid or defeased under Article XIII hereof, all rebate payments have been made under Section 5.5 hereof, and all additional payments have been made to the Issuer and the Trustee under Section 5.02 of the Amended Loan Agreement, any remaining moneys held in the Funds under this Indenture shall be paid to the Corporation.

ARTICLE VI SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS

Section 6.01 Deposits and Security Therefor. All moneys received by the Trustee under this Indenture for deposit in any Fund established hereunder shall be considered trust funds, shall not be subject to lien or attachment, except as hereinafter provided, and shall be held in trust and applied in accordance with the provisions of this Trust Indenture.

Section 6.02 Investment or Deposit of Funds. Moneys on deposit in the Funds established pursuant to the Amended Loan Agreement and/ or this Indenture shall be invested and reinvested by the Trustee, at the written direction of the Corporation, as follows:

(a) All investments shall constitute Investment Securities and shall mature, or be subject to repurchase, withdrawal without penalty or redemption at the option of the holder on or before the dates on which the amounts invested are reasonably expected to be needed for the purposes hereof; provided, that the amount on deposit in the Debt Service Reserve Fund shall be invested in Government Obligations, Agency Obligations and investment agreements described in clause (i) of the definition of Investment Securities, of which (i) at least 30% of the amount invested shall mature or be redeemable at the option of the holder not later than three years from the date of purchase; (ii) no investment except investment agreements shall mature or be subject to redemption at the option of the holder later than five years from the date of purchase.

(b) All investments shall be made at the direction of the Corporation; provided that so long as the Bonds are Outstanding, the Corporation shall not direct the Trustee to withdraw funds under any investment agreement (unless such withdrawal is permitted

under the terms of such agreement) for the purpose of reinvesting the withdrawn amount in another investment agreement; provided, further, that, whenever uninvested moneys are on deposit in any of the Funds for which the Trustee has not received investment direction from the Corporation, the Trustee shall invest such moneys in Investment Securities described in clause (j) of the definition of Investment Securities until other written direction for investment is received from the Corporation. No investments shall be directed by the Corporation which would cause the Bonds to become "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(c) The principal of the Investment Securities and the interest, income and gains received in respect of the investments of all funds hereunder in respect thereof shall be applied as follows: (1) during the construction period for the Facilities and, unless otherwise provided in the Supplemental Indenture relating thereto, any Capital Addition, all interest, income and profits received in respect of the Investment Securities or upon the sale or other disposition thereof shall (after deduction of any losses) be retained in or transferred to the Project Fund, and (2) after the completion of the Facilities or Capital Addition, shall be retained in or transferred to the Interest Account and credited against subsequent deposit requirements as provided in Section 5.01(a) of the Amended Loan Agreement; provided, however, that (i) interest, income and gains from the investment of moneys in the Debt Service Reserve Fund shall be applied first, to restore any deficiency in the Debt Service Reserve Fund, and second, to a deposit to the Renewal and Replacement Fund to the extent of any deposits required pursuant to Section 5.04(a) hereof which have not been made by the Corporation, respectively; (ii) interest, income and gains from the investment of moneys in the Renewal and Replacement Fund shall be retained therein until the amount therein is equal to the Renewal and Replacement Fund Requirement, and thereafter shall be deposited in the Bond Fund; ~~and (iii)(iii) interest, income and gains from the investment of moneys in each account of the Working Capital Fund shall be retained in each account, respectively, until closed and the monies on deposit therein distributed pursuant to this Indenture; and (iv)~~ interest, income and gains from the investment of moneys in the Capitalized Interest Account and in the Rebate Fund shall be retained therein, respectively.

(d) Whenever any other transfer or payment is required to be made from any particular Fund, such transfer or payment shall be made from such combination of maturing principal, redemption or repurchase prices, liquidation proceeds and withdrawals of principal as the Trustee deems appropriate for such purpose, after taking into account such factors as future transfers or payments from the Fund or Account in question, the reinvestment opportunities for maturing principal, the current yield on any Investment Securities to be redeemed, withdrawn or sold, and any penalties, gains or losses to be realized upon any such redemption, withdrawal or sale.

(e) Neither the Issuer nor the Trustee shall be accountable or liable for any loss suffered or any depreciation in the value of the Investment Securities or in connection with any investment made hereunder nor for any losses incurred upon any authorized disposition thereof.

Section 6.03 Valuation of Funds. In computing the assets of any Fund or account, investments and accrued interest thereon shall be deemed a part thereof, subject to Section 6.02 hereof. Such assets shall be valued on each interest payment date at the cost or the current market value thereof, whichever is the lower, or at the redemption price thereof, if then redeemable at the option of the holder, except that investments in the Debt Service Reserve Fund shall be valued at the current market value thereof.

ARTICLE VII REDEMPTION OF BONDS

Section 7.01 Bonds Subject to Redemption; Selection of Bonds to be Called for Redemption. The 2007 Bonds are subject to redemption prior to maturity as provided in this Article VII. Additional Bonds shall be subject to redemption prior to maturity as provided in the Supplemental Indenture directing the issuance of such Additional Bonds. If less than all the Bonds of a maturity are to be redeemed, the particular Bonds or portions of Bonds of such maturity to be called for redemption shall be selected by lot by the Trustee.

Section 7.02 Optional Redemption. The ~~Series A2007A~~ Bonds are subject to redemption on or after October 1, 2017, as a whole or in part at any time at the option of the Issuer at the direction of the Corporation at a redemption price of 100% of the principal amount, plus accrued interest to the redemption date.

Section 7.03 Mandatory Sinking Fund Redemption.

(a)(i) The ~~Series A2007A~~ Bonds are subject to mandatory sinking fund redemption in part, in direct order of maturity, and within a maturity by lot, on October 1 in the years and in the respective amounts set forth below. Mandatory redemptions shall be made at a redemption price equal to the principal amount of ~~2007~~2007A Bonds to be redeemed plus interest accrued to the redemption date.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2008	\$ 75,000	2025	\$360,000
2009	160,000	2026	380,000
2010	170,000	2027*	400,000
2011	180,000	2028	420,000
2012	190,000	2029	440,000
2013	195,000	2030	465,000
2014	205,000	2031	490,000
2015	220,000	2032	515,000
2016	230,000	2033	540,000
2017*	240,000	2034	570,000
2018	250,000	2035	600,000
2019	265,000	2036	630,000
2020	280,000	2037	665,000

2021	295,000	2038	700,000
2022	310,000	2039	735,000
2023	325,000	2040	775,000
2024	340,000	2041*	1,720,000

* Maturity shown for information

(2) The ~~Series B~~ 2007B Bonds are subject to mandatory sinking fund redemption in part, in direct order of maturity, and within a maturity by lot, on April 1 and October 1 in the years and in the respective amounts set forth below. Mandatory redemptions shall be made at a redemption price equal to the principal amount of ~~2007~~ 2007B Bonds to be redeemed plus interest accrued to the redemption date.

<u>Year</u>	<u>Principal Amount</u>
October 1, 2007	\$90,000
April 1, 2008*	80,000

* Maturity shown for information

(b) In the event that the 2007 Bonds are redeemed in part (other than by mandatory sinking fund redemption), in an aggregate principal amount on any one redemption date exceeding \$100,000, the Trustee shall apply the amount of such redemption to reduce the amounts of subsequent mandatory sinking fund redemptions of the 2007 Bonds as nearly as practicable in proportion to the respective aggregate principal amounts of such mandatory redemptions as set forth in Section 7.03(a) above, provided, that the amount of each mandatory redemption, as so revised, shall be in a whole multiple of \$5,000. Any redemption (other than by mandatory sinking fund redemption) in an amount of \$100,000 or less shall be applied to reduce succeeding mandatory sinking fund redemptions in direct order of their redemption dates.

(c) The amount of 2007 Bonds described in Section 7.03(a) required to be redeemed by mandatory sinking fund redemption in each year shall be reduced by the amount of any such 2007 Bonds purchased by or at the request of the Corporation and delivered to the Trustee for cancellation.

Section 7.04 Extraordinary Redemption.

(a) The 2007 Bonds are subject to extraordinary redemption at the Redemption Price, without premium, (1) as a whole, if the obligations of the Corporation under the Amended Loan Agreement become unenforceable in any material respect as a result of changes in constitutional, statutory or administrative law, such redemption to be made within forty-five (45) days after notice of the occurrence of the event causing the obligations of the Corporation to become unenforceable has been filed with the Trustee by the Corporation; or (2) as a whole or in part, in amounts as nearly as practicable in

proportion to the respective principal amounts of the 2007 Bonds Outstanding of each series and each maturity of a series and within a maturity by lot, from such proceeds of hazard insurance or condemnation awards as are not applied to the repair, reconstruction or replacement of the Mortgaged Property and are required to be used to redeem 2007 Bonds, all pursuant to the Amended Loan Agreement; and

(b) The 2007A Bonds are subject to special redemption in the event of a Determination of Taxability, on a date determined by the Trustee which is within one hundred twenty (120) days of such Determination of Taxability, as a whole, or in part if such partial redemption will preserve the 2007A Bonds as Tax-Exempt Bonds, at a Redemption Price of (1) one hundred five percent (105%) of the principal amount, if, in the opinion of Bond Counsel, the Determination of Taxability was the result of any action or inaction on the part of the Corporation, and (2) 100% of the principal amount if, in the opinion of Bond Counsel, the Determination of Taxability was not the result of any action or inaction by the Corporation; plus accrued interest to the redemption date, provided that no such redemption is required to be made if and so long as such Determination of Taxability is being appealed or otherwise contested in good faith by the Corporation and/or the Issuer; and provided, further, that such contest shall not have continued for longer than two (2) years after the occurrence of such Determination of Taxability.

Section 7.05 Notice of Redemption.

(a) When required to redeem Bonds under the provisions hereof or directed to do so by the Corporation, the Trustee shall cause a notice of redemption to be mailed to the Registered Owners of Bonds setting forth the maturities and, if less than all then Outstanding Bonds are to be redeemed, the numbers, including CUSIP numbers if applicable, of the Bonds to be redeemed which may, if appropriate, be expressed in designated blocks of numbers. Such notice shall also state the Redemption Price and the date fixed for redemption, that on such date the Bonds called for redemption will be due and become payable at the principal corporate trust office of the Trustee, and that from and after such date, interest thereon shall cease to accrue. The Trustee shall also mail such notice to such registered securities depositories then in the business of holding substantial amounts of obligations similar to the Bonds, such mailing to be at least once not less than fifteen (15) days nor more than thirty (30) days prior to such redemption date. If on the date of mailing any such notice of redemption, there is not on deposit with the Trustee sufficient funds to pay the Redemption Price, including accrued interest to the redemption date, such notice shall state that it is conditional, that is, subject to the deposit of funds for the payment of the Redemption Price and accrued interest on or prior to the redemption date and that such notice shall be of no effect unless such funds are so deposited.

(b) The notice to Registered Owners of Bonds shall be deposited by the Trustee in the United States first-class mail, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, addressed to the Registered Owners of Bonds called for redemption at the addresses appearing upon the Bond Register maintained by the Trustee.

(c) The notices required to be given by this Section 7.05 shall state that no representation is made as to correctness or accuracy of the CUSIP numbers listed in such notice or stated on the Bonds.

(d) Failure to give such notice by mailing to any Registered Owner of a Bond or to give any other notice herein provided for, or any defect in such mailing shall not affect the validity of any proceeding for the redemption of Bonds. Any notice of redemption mailed in accordance with the requirements set forth herein shall be conclusively presumed to have been duly given, whether or not such Registered Owner or other addressee actually receives the notice.

Section 7.06 Payment of Redemption Price. If notice of redemption has been duly given as provided in Section 7.05 hereof, then the Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price plus accrued interest, if any, to the redemption date. If provision is made for redemption from funds on deposit with the Trustee, all interest on the Bonds called for redemption accruing on and after the date fixed for redemption shall cease, and the Registered Owners of the Bonds called for redemption shall have no security, benefit or lien under the Indenture or any right except to receive payment of the Redemption Price and interest accrued to the date fixed for redemption. Payment of the Redemption Price together with accrued interest shall be made by the Trustee to or upon the order of the Registered Owners of the Bonds called for redemption upon surrender of such Bonds. The Redemption Price, including the expenses of giving notice and any other expenses of redemption, shall be paid out of the Fund from which the redemption is to be made or from moneys provided by the Corporation, except that the accrued interest shall be paid out of the Bond Fund to the extent available and otherwise to the extent provided in Section 5.03 hereof.

ARTICLE VIII COVENANTS BY THE ISSUER

The Issuer, for itself, its successors and assigns, covenants and agrees with the Trustee and the ~~Registered~~Beneficial Owners from time to time of the Bonds as follows:

Section 8.01 To Pay Principal, Premium and Interest of Bonds. Solely from the Trust Estate, the Issuer hereby instructs the Trustee to duly and punctually pay, or cause to be duly and punctually paid, the principal of and the interest and premium, if any, on each and every Bond at the place, on the dates and in the manner provided in this Indenture and in the Bonds, according to the true intent and meaning of this Indenture and of the Bonds.

Section 8.02 Covenants and Representations. The Issuer covenants that it is duly authorized under the laws of the State of Florida to issue the Bonds authorized hereby and to execute and deliver this Indenture and the Amended Loan Agreement and to assign the Amended Loan Agreement and pledge the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the Amended Loan Agreement has been duly and effectively taken, and that the Bonds in the hands of the ~~Registered~~Beneficial Owners thereof are and will be valid and binding special obligations of the Issuer payable in accordance

with their terms, except as the rights created thereunder and the enforcement thereof may be limited by bankruptcy, insolvency or other laws or equitable principles affecting creditors' rights generally.

Section 8.03 Instruments of Further Assurance; Recording of Instruments. The Issuer covenants that it will take such further actions as the Trustee may reasonably require for the better assuring, pledging, assigning and confirming unto the Trustee all and singular the rights assigned hereby to the payment of the principal of, premium, if any, and interest on the Bonds with any expenses incurred by the Issuer to be paid by the Corporation as administration expenses. The Issuer covenants and agrees that, except as herein and in the Amended Loan Agreement provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of its interest and rights in the Trust Estate.

Section 8.04 Rights Under Amended Loan Agreement. The Amended Loan Agreement sets forth the covenants and obligations of the Issuer and the Corporation, and reference is hereby made to the Amended Loan Agreement for a detailed statement of said covenants and obligations. The Issuer agrees that the Trustee may enforce all rights of the Issuer and all obligations of the Corporation under and pursuant to the Amended Loan Agreement for and on behalf of the ~~Registered~~Beneficial Owners of the Bonds, whether or not the Issuer is in default hereunder.

Section 8.05 Performance of Covenants by Issuer. In a manner consistent with Section 8.09(b) hereof, the Issuer will faithfully perform at all times all of its covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in the Issuer's resolutions authorizing the Bonds.

Section 8.06 Inspection of Issuer Books. All books and documents in the Issuer's possession relating to any of its properties and the Gross Revenues, including any financial statement or other report by the Corporation shall at all reasonable times during regular business hours be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

Section 8.07 No Vacancy in Office of Trustee. The Issuer, whenever necessary to avoid or fill a vacancy in the office of Trustee, will, at the cost and expense of the Corporation, make every reasonable effort to appoint, in the manner provided in the Indenture, a Trustee, so that there shall at all times be a Trustee hereunder.

Section 8.08 Issuer Will Not Extend Time of Payment of Bonds Without Consent of ~~Bondholders~~Beneficial Owners. Except as provided in this Indenture, the Issuer will not directly or indirectly extend or consent to the extension of the time of payment of any of the Bonds unless consented to by the ~~Registered Owner~~Beneficial Owners of the Bond so affected.

Section 8.09 No Personal Liability; Right to Payment of Expenses and Indemnification.

(a) Notwithstanding anything to the contrary contained herein or in any of the Bonds, or the Amended Loan Agreement, or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, no stipulation, covenant, agreement or obligation contained herein or therein shall be deemed or construed to be a stipulation, covenant, agreement or obligation of any present or future member, officer, employee or agent of the Issuer, or of any incorporator, member of the governing body, director, officer, employee or agent of any successor to the Issuer, in any such person's individual capacity, and no such person, in his individual capacity, shall be liable personally for any breach or non-observance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or on any such stipulation, covenant, agreement or obligation, against any such person, in his individual capacity, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such person, in his individual capacity, is hereby expressly waived and released: The provisions of this Section shall survive the termination of this Indenture.

(b) Notwithstanding anything to the contrary contained herein or in any of the Bonds, or the Amended Loan Agreement, or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, (1) the Issuer shall have no obligation to take action under this Indenture, the Amended Loan Agreement, the Bonds or such other instruments or documents, unless the Issuer is reasonably requested in writing by an appropriate person to take such action and is provided with indemnity and assurances satisfactory to it of payment of or reimbursement of any expenses (including attorneys' fees) in such action, (ii) neither the Issuer nor any member of the Issuer or any officer, employee or agent of the Issuer shall be personally liable to the Corporation, the Trustee or any other person for any action taken by the Issuer or by its officers, agents or employees, or for any failure to take action under this Indenture, the Amended Loan Agreement, the Bonds or such other instruments or documents, except that the Issuer agrees to take, or to refrain from taking, any action if so required by an injunction or if required to comply with any final judgment for specific performance; and (iii) any judgment rendered against the Issuer for breach of its obligations under this Indenture, the Amended Loan Agreement, the Bonds or such other instruments or documents, shall be payable solely from the Trust Estate under this Indenture, and no personal liability or charge payable directly or indirectly from the general funds of the Issuer shall arise therefrom.

(c) In acting under this Indenture, the Amended Loan Agreement, the Bonds or such other instruments or documents, or in refraining from taking such action, the Issuer may conclusively rely on the advice of its counsel.

Section 8.10 Financing Statements and Other Action to Protect Security Interests. The Corporation shall cause this Indenture or a financing statement or memorandum relating thereto to be filed, registered and recorded with the Clerk of Courts of the County and the Secretary of State of the State, and in such manner and at such other places as may be required by law fully to protect the security of the Registered Beneficial Owners of the Bonds and the right, title and

interest of the Trustee in and to the Trust Estate or any part thereof. Upon execution and delivery hereof, and thereafter from time to time, not less often than once every five (5) years, the Corporation shall obtain an opinion of Counsel, at the expense of the Corporation or its successor in interest, setting forth what, if any, actions by the Corporation or Trustee should be taken to preserve such security. The Corporation shall perform or shall cause to be performed any such acts, and execute and cause to be executed any and all further instruments all at the expense of the Corporation or its successor in interest as may be required by law or as shall reasonably be requested by the Trustee for such protection of the interests of the Trustee and the ~~Bondholders~~Beneficial Owners, and shall furnish satisfactory evidence to the Trustee of recording, registering, filing and refiling of such instrument and of every additional instrument which shall be necessary to preserve the lien of this Indenture upon the Trust Estate or any part thereof until principal of and interest on the Bonds secured hereby shall have been paid. The Trustee shall execute or join in the execution of any such further or additional instrument and file or join in the filing thereof at such time or times and in such places or places as it may be advised by the aforementioned opinion of Counsel as will preserve the lien of this Indenture upon the Trust Estate or any part thereof until the aforesaid principal, premium, if any, and interest shall have been paid.

Section 8.11 Tax-Exempt Status of 2007A Bonds.

(a) The Issuer covenants to the ~~Registered~~Beneficial Owners of the 2007A Bonds and each series of Additional Bonds issued as Tax-Exempt Bonds that it will make no investment or other use of the proceeds of the 2007A Bonds or any other series of Additional Bonds issued hereunder as Tax-Exempt Bonds or take any other action, which would cause such series of Tax Exempt Bonds to be “arbitrage bonds” as that term is defined in Section 148 of the Code or to otherwise cease to be Tax-Exempt Bonds under the Code and that it will comply with the requirements of all applicable sections of the Code and regulations promulgated thereunder throughout the term of such series of Tax-Exempt Bonds. The Trustee shall not make any investment inconsistent with the foregoing covenants.

(b) The Issuer covenants that it shall not knowingly sell the Tax-Exempt Bonds of any such series or cause them to be sold to any Person (or any related person as defined in Sections 144(a)(3) and 147(a)(2) of the Code) from whom the Issuer may acquire “acquired program obligations”, as defined in the regulations referred to in Section 8.11(a), pursuant to any arrangement, formal or informal, in an amount related to the amount of “acquired program obligations” to be acquired from such Person.

(c) The Issuer covenants that upon request it will make all filings of reports or other documents as may be required by Section 149(e) of the Code and regulations promulgated thereunder throughout the term of the Tax-Exempt Bonds of such series.

(d) The Issuer hereby authorizes and directs the Trustee to take all actions reasonable and necessary to maintain the exclusion of the interest on the Tax-Exempt Bonds of such series from gross income for federal income tax purposes.

Section 8.12 Continuing Disclosure.

(a) The Trustee covenants (i) promptly upon receipt from the Corporation, to file with ~~each NRMSIREMMA~~ and ~~with the appropriate SID, if any, Registered Owner~~ any information or report described in paragraphs (a)-(fd) of Section 7.16 of the Amended Loan Agreement; and (ii) promptly, whenever in the course of performing its duties as Trustee under this Indenture, it becomes aware of any "Material Event" described in paragraph (fd) of Section 7.16 of the Amended Loan Agreement, to file notice thereof with ~~each NRMSIREMMA~~ and ~~with the appropriate SID, if any, Registered Owner~~. In the case of any Material Event notice provided by the Corporation under paragraph (fd) of Section 7.16 of the Amended Loan Agreement ~~or provided by the Trustee under clause (ii) above, the Trustee may file such notice with the Municipal Securities Rulemaking Board in lieu of filing with each NRMSIR.~~ If permitted by rules of the Securities and Exchange Commission, the Trustee may meet its obligation to deliver any report or notice required pursuant to this Section 8.12 ~~to the NRMSIRs,~~ by sending the same electronically to ~~the Central Post Office, Disclosure USA, created by the Municipal Advisory Council of Texas at www.DisclosureUSA.org, EMMA~~ and ~~requesting that such report or notice be transmitted to the NRMSIRs~~ the Registered Owner.

(b) Upon request of any ~~Bondholder~~ Beneficial Owner, the Trustee will, at the Corporation's expense, provide, by first class mail to such ~~Bondholder~~ Registered Owner, copies of any or all of the following information received pursuant to the Amended Loan Agreement;

(i) Any revisions to the schedule of values or construction progress schedule;

(ii) Monthly construction progress reports required to be delivered to the Trustee pursuant to Section 7.04 of the Amended Loan Agreement;

(iii) Any Management Consultant's report or Opinion of Bond Counsel delivered in connection with a change in the Corporation's tax-exempt 501(c)(3) status;

(iv) Any certificate or legal opinion furnished by the Corporation relating to a merger or consolidation;

(v) Any Management Consultant's report relating to compliance with the Debt Service Coverage Ratio ~~covenant~~ Covenant and Occupancy Covenant; and

(vi) All reports, certificates and other items described in paragraphs (a) - ~~(hd)~~ of Section 7.16 of the Amended Loan Agreement.

(c) The Corporation's obligations under the foregoing provisions and Section 7.16 of the Amended Loan Agreement, and the Trustee's duties in this Section 8.12 may be amended to the extent required or permitted by Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934, or in connection with a change in the identity, nature or status of

the Corporation, or the type of business conducted by it; provided that any such amendment either (i) does not materially impair the interests of Bondholders, in the determination of the Trustee (which may be based on an opinion of counsel); or (ii) is approved by the ~~holders of a majority in aggregate principal amount of the 2007 Bonds~~ Majority of Bondholders.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 9.01 Events of Default Defined. Each of the following shall be an "Event of Default" hereunder:

A. If payment of any installment of interest on the Bonds is not made when it becomes due and payable; or

B. If payment of the principal or Redemption Price of any Bond is not made when it becomes due and payable at maturity, or upon acceleration or call for redemption other than optional redemption or if any required transfer is not made into any Fund established under this Indenture at the time and in the amount required; or

C. If there is a default in paying the Loan Payments or other payments under the Amended Loan Agreement or any other Long-Term Indebtedness having an outstanding principal balance (or in the case of capitalized leases, a present value of future rental payments) in excess of \$200,000; or

D. If the Issuer or the Corporation fails to comply with any provision of the Act relating to the Mortgaged Property or for any reason is rendered incapable of fulfilling its obligations hereunder or thereunder; or

E. An Event of Bankruptcy; or

F. If an Event of Default occurs under the Amended Loan Agreement; or

G. If the Corporation defaults in the due and punctual performance of any other covenant in the Bonds or in this Indenture and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given to the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the ~~Registered Owners of not less than twenty-five percent (25%) in principal amount of Bonds then Outstanding~~ Majority of Bondholders.

Notwithstanding any provision herein to the contrary, the Trustee agrees that any default by the Corporation hereunder shall not result in the termination of the Amended Loan Agreement, or the acceleration of any payments thereunder, so long as the Corporation shall continue to perform all its obligations under the Amended Loan Agreement and the failure to act on behalf of the Trustee will not affect the tax-exempt status of the Bonds or affect any priority rights in any

legal proceeding or prejudice any other rights the Trustee may have against the Issuer or the Corporation.

Section 9.02 Acceleration and Annulment Thereof. If any Event of Default has occurred and is continuing the Trustee may, and upon written request of the ~~Registered Owners of twenty-five percent (25%) in principal amount of the Bonds then Outstanding~~ Majority of Bondholders, shall, by notice in writing to the Corporation and the Issuer, declare the principal of all Bonds then Outstanding to be immediately due and payable, and upon such declaration the said principal, together with interest accrued thereon, to the date of such declaration, shall become due and payable immediately at the place of payment provided therein, anything in this Indenture or in the Bonds to the contrary notwithstanding.

If after the principal of the Bonds has been so declared to be due and payable, all arrears of interest upon the Bonds (and interest on overdue installments of interest at the maximum rate permitted by law), are paid by the Corporation, and the Issuer or Corporation also performs all other things in respect to which it may have been in default hereunder and the Corporation pays the reasonable charges of the Trustee and the ~~Registered Owners~~ Registered Beneficial Owners, including reasonable attorney's fees, then, and in every such case, the ~~Registered Owners Majority of twenty-five percent (25%) in principal amount of the Bonds then Outstanding~~ Bondholders, by written notice to the Corporation and the Issuer and to the Trustee, may annul such declaration and its consequences and such annulment shall be binding upon the Trustee and upon the ~~Registered Owners~~ Registered Beneficial Owners of Bonds issued hereunder; but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

Section 9.03 Entry by Trustee. If any Event of Default has occurred and is continuing, the Trustee before or after declaring the principal of the Bonds immediately due and payable, (1) may enforce each and every right granted to the Issuer under the Amended Loan Agreement and all other agreements and contracts and any supplements or amendments thereto, and (2) insofar as such right may be lawfully conferred upon the Trustee, may, by its agents or attorneys, with or without process of law, enter upon and take and maintain possession of all or any part of the Mortgaged Property, together with all records, documents, books, papers and accounts of the Corporation or Authority relating thereto, and may, as the attorney-in-fact or agent of the Corporation and the Issuer, being thereunto hereby duly authorized, or in its own name as Trustee, hold, manage, and operate the Mortgaged Property and collect the amounts payable by reason of such operation. After paying the expenses of operation and maintenance, including such repairs, replacements, alterations, additions and improvements as it deems proper, the Trustee shall apply the balance of the revenues as provided in Section 9.11 hereof.

Section 9.04 Legal Proceedings by Trustee. If any Event of Default has occurred and is continuing, the Trustee in its discretion may, and upon the written request of the ~~Registered Owners of twenty-five percent (25%) in principal amount of the Bonds then Outstanding~~ Majority of Bondholders and receipt of indemnity to its satisfaction, shall, proceed to protect and enforce its rights and the rights of ~~Bondholders~~ Beneficial Owners under the laws of the State or under this Indenture by the exercise of any proper legal or equitable right or remedy as the Trustee being advised by counsel shall deem most effectual to protect and enforce such rights, and without limitation of the foregoing, may, in its own name:

A. By mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the ~~Bondholders~~Beneficial Owners, including the right to require the Corporation to charge and collect rates, rentals and other charges adequate to carry out the terms hereof and to require the Issuer and the Corporation to carry out any other agreements with, or for the benefit of, the Bondholders and to perform its or their duties under the Act;

B. Bring suit upon the Bonds;

C. By action or suit in equity require the Corporation to account as if it were the trustee of an express trust for the ~~Bondholders~~Beneficial Owners;

D. By action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the ~~Bondholders~~Beneficial Owners;

E. Foreclose the lien of the Loan Agreement by action of mortgage foreclosure and public auction; and

F. Exercise any or all other rights and remedies provided for by the Act or by any other law, and by any suit, action or special proceeding at law or in equity, either for the specific performance of any covenant or agreement contained herein or in aid of execution of any power or right herein granted.

Section 9.05 Discontinuance of Proceedings by Trustee. If any proceeding taken by the Trustee on account of any default is discontinued or is determined adversely to the Trustee, then the Corporation, the Issuer, the Trustee and the ~~Registered~~Beneficial Owners shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

Section 9.06 ~~Bondholders~~Beneficial Owners May Direct Proceedings.—~~The Registered Owners of a majority in principal amount of the Bonds then Outstanding hereunder. The Majority of Bondholders~~ shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee hereunder, provided such directions shall not be otherwise than in accordance with law or the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to ~~Bondholders~~Beneficial Owners not parties to such direction.

Section 9.07 Limitations on Actions by ~~Registered~~Beneficial Owners. No ~~Registered~~Beneficial Owner shall have any right to pursue any remedy hereunder unless (1) the Trustee shall have been given written notice of an Event of Default, (2) the ~~Registered Owners of at least twenty five percent (25%) in principal amount of the Bonds then Outstanding~~Majority of Bondholders shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (3) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (4) the Trustee shall have failed to comply with such request within a reasonable time.

Section 9.08 Trustee May Enforce Rights Without Possession of Bonds. All rights under this Indenture and the Bonds may be enforced by the Trustee without the possession of any Bonds or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the ~~Registered~~Beneficial Owners of the Bonds.

Section 9.09 Remedies Not Exclusive. No remedy herein conferred is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9.10 Delays and Omissions Not To Impair Rights. No delay or omission in respect of exercising any right or power accruing upon any default shall impair such right or power or be a waiver of such default, and every remedy given by this Article may be exercised from time to time and as often as may be deemed expedient.

Section 9.11 Application of Moneys in Event of Default. Any moneys received by the Trustee under this Article IX shall, after payments under Section 9.03, if applicable, be applied:

First: To the payment of the costs of the Trustee, including counsel fees, any disbursements of the Trustee with interest thereon and its reasonable compensation; and

Second: To the payment of principal or Redemption Price (as the case may be) and interest then owing on the Bonds and in case such moneys shall be insufficient to pay the same in full, then to the payment of principal or Redemption Price and interest ratably without preference or priority of one over another or of any installment of interest over any other installment of interest, except as otherwise provided in the case of interest payments extended or transferred apart from the Bond after maturity.

The surplus, if any, shall be paid to the Issuer, the Corporation, the Person lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

Section 9.12 Trustee's Right to Receiver; Compliance with Act. As provided by the Act, the Trustee shall be entitled as of right to the appointment of a receiver; and the Trustee, the ~~Bondholders~~Beneficial Owners and any receiver so appointed shall have such rights and powers and be subject to such limitations and verifications as are contained in the Act.

Section 9.13 Trustee and ~~Bondholders~~Beneficial Owners Entitled to All Remedies under Act. It is the purpose of this Article to provide such remedies to the Trustee and ~~Bondholders~~Beneficial Owners as may be lawfully granted under the provisions of the Act; but should any remedy herein granted be held unlawful, the Trustee and the ~~Bondholders~~Beneficial Owners shall nevertheless be entitled to every other remedy provided by the Act. It is further intended that, insofar as lawfully possible, the provisions of this Article shall apply to and be binding upon the trustee or receiver appointed under the Act.

ARTICLE X

THE TRUSTEE

Section 10.01 Acceptance of Trust. The Trustee accepts and agrees to perform and execute the duties and trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the parties hereto and the Bondholders agree.

Section 10.02 No Responsibility for Recitals, etc. The recitals, statements and representations in this Indenture or in the Bonds, save only those specifically attributable to the Trustee and the Trustee's Certificate upon the Bonds, have been made by the Issuer and not by the Trustee; and the Trustee shall be under no responsibility for the correctness thereof.

Section 10.03 Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers, or employees, and shall be entitled to advice of counsel concerning all questions hereunder; and the Trustee shall not be answerable for the default or misconduct of any attorney or agent selected by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Indenture nor for anything whatever in connection with the trust hereunder, except only its own willful misconduct or negligence.

Section 10.04 Compensation and Indemnity. The Corporation agrees that it will pay the Trustee its customary fees for acting as Trustee under the Indenture and that it will reimburse the Trustee for all ordinary and necessary expenses incurred in carrying out the terms of the Indenture. Such fees and reimbursements of expenses shall be paid directly to the Trustee promptly upon receipt of periodic invoices therefor. In the event the Trustee is required by the terms of the Indenture or otherwise deems it necessary or advisable in fulfillment of its fiduciary responsibilities thereunder to take actions beyond those which are routinely performed by corporate trustees under similar indentures, the Corporation also agrees that it will pay the Trustee its reasonable fees for its services in such regard and that it will reimburse the Trustee for ordinary and necessary expenses incurred by the Trustee in connection therewith. Such fees and reimbursements of expenses shall be paid directly to the Trustee promptly upon receipt of invoices therefor.

The Corporation agrees to indemnify, defend and hold harmless the Trustee from and against any and all losses, claims, damages, taxes (including interest and penalties), costs and expenses (including reasonable attorney's fees, whether prior to, during or after trial or in the event of any appeal or in connection with any insolvency proceeding) and liabilities arising from, or in connection with, or as a result of or predicated upon the acceptance by the Trustee of its duties as such, the issuance, offering, sale or delivery of the Bonds by the Issuer, the execution and delivery or acceptance by the Trustee of the Indenture, the assignment by the Issuer to the Trustee of the Amended Loan Agreement, the performance and observance by or on behalf of the Trustee of those things on the part of the Trustee agreed to be performed or observed thereunder, or the acquisition, construction, installation, occupancy or use of the Facilities, or the conduct of the Health Care Enterprise. Nothing in the foregoing indemnity shall protect the Trustee against its own negligence or willful misconduct.

If the Corporation defaults in respect of the foregoing obligations described in this Section 10.04 (including but not limited to, the obligation to pay the Trustee's fees and expenses) the Trustee may deduct the amounts owing to it from any moneys coming into its hands before making payment on any Bonds.

The foregoing provisions of this Section 10.04 shall survive the payment, prepayment or redemption of the Bonds and the termination of the Amended Loan Agreement and the Indenture.

Section 10.05 No Duty to Renew Insurance. The Trustee shall be under no duty to effect or to renew any insurance policy nor shall it incur any liability for the failure of the Issuer or Corporation to require or effect or renew insurance or to report or file claims of loss thereunder.

Section 10.06 Notice of Default; Right to Investigate. The Trustee shall, within ninety (90) days after the occurrence thereof, give written notice by first class mail to Registered Owners of Bonds of all Events of Default hereunder known to it, unless such defaults have been remedied; provided that, except in the case of a default in payment of principal or interest or sinking fund installment on the Bonds, the Trustee may withhold such notice so long as it in good faith determines that such withholding is in the interest of the Bondholders. The Trustee may at any time (but shall not be required to) require of the Corporation and the Issuer full information as to the performance of any covenant hereunder; and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the Corporation, an investigation into the affairs of the Issuer and the Corporation related to this Indenture and the Mortgaged Property.

Section 10.07 Obligation to Act on Defaults. The Trustee shall be under no obligation to take any action in respect of any Event of Default unless it is requested in writing to do so by the ~~Registered Owners of at least twenty-five percent (25%) in principal amount of the Bonds then Outstanding~~ Majority of Bondholders and, if in its opinion such action may tend to involve expense or liability, unless it is also furnished with indemnity satisfactory to it.

Section 10.08 Reliance on Requisitions, etc. The Trustee may act on any requisition, resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or documents which it in good faith believes to be genuine and to have been passed or signed by the proper persons or to have been prepared and furnished pursuant to any of the provisions of this Indenture; and the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

Section 10.09 Trustee May Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholders may be entitled to take with like effect as if the Trustee were not a party to this Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the Issuer.

Section 10.10 Construction of Ambiguous Provisions. The Trustee may construe any ambiguous or inconsistent provisions of this Indenture, and any construction by the Trustee shall be binding upon the Bondholders.

Section 10.11 Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Indenture by written resignation filed with the Issuer and the Corporation not less than sixty (60) days before the date when such resignation is to take effect. Notice of such resignation shall be mailed to the Corporation, the Issuer, the Registered Owners of the Bonds, ~~the NRMSIRsEMMA~~ and the Investment Banker, not less than three (3) weeks prior to the effective date of resignation. Such resignation shall take effect on the day specified in such notice unless a successor trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor.

Section 10.12 Removal of Trustee. Any Trustee hereunder may be removed at any time by an instrument appointing a successor to the Trustee so removed, executed by (1) the ~~Registered Owners~~ Majority of ~~at least fifty one percent (51%) in principal amount of the Bonds then Outstanding~~ Bondholders and filed with the Trustee, the Corporation, ~~the NRMSIRsEMMA~~, the Investment Banker and the Issuer, or (2) the Corporation and filed with the Trustee, the Investment Banker, the Issuer, the Registered Owners of the Bonds and ~~the NRMSIRsEMMA~~, unless the Corporation an Event of Default has occurred hereunder or under the Amended Loan Agreement or the Corporation is not in full compliance of the covenants set forth therein.

Section 10.13 Appointment of Successor Trustee. If the Trustee or any successor trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court of administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the Corporation, with the consent of the Majority of Bondholders, shall appoint a successor and shall promptly mail notice of such appointment to Registered Owners of the Bonds, ~~the NRMSIRsEMMA~~, the Issuer and the Investment Banker. If the Corporation fails to obtain the requisite consent from Beneficial Owners and make such appointment within thirty (30) days, the Issuer may make such appointment, and if both the Corporation and the Issuer shall fail to make such appointment within sixty (60) days, the Registered Beneficial Owners of a majority in principal amount of the Bonds then Outstanding or the Trustee may apply to a court of competent jurisdiction to appoint a successor trustee. The reasonable costs, fees and expenses related to such application to a court shall be paid by the Corporation.

Section 10.14 Qualification of Successor Trustee. A successor trustee shall be a national bank with trust powers or a bank and trust company or a trust company having combined net capital and surplus of at least ~~\$25~~50,000,000, and which shall be qualified to administer trusts in the State.

Section 10.15 Instruments of Succession. Any successor trustee shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder; and thereunder such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein. The Trustee ceasing to act hereunder shall pay over to the successor trustee all moneys and securities held by it hereunder; and, upon request of the successor trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument transferring to the successor trustee all the estates, properties, rights, powers and trusts hereunder of the Trustee ceasing to act.

Section 10.16 Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Trustee hereunder shall be party or to which it may sell or transfer its corporate trust business as a whole or substantially as a whole, shall be the successor trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.17. Standby Trustee - Reserved. ~~In the event that the Trustee determines, following an Event of Default under the Indenture, that a conflict of interest exists between the holders of the 1997A Bonds and the holders of the 2007B Bonds, the Trustee may, in its sole discretion, resign as the trustee for the 2007B Bonds without having to comply with the notice provisions or approval requirements of Section 10.11 and Section 10.13 hereof, and shall continue to serve as the Trustee for the 1997A Bonds under the terms of this Indenture. In such event, the Standby Trustee shall be appointed in the same manner provided in Section 10.13 for appointment of a successor Trustee and shall serve as the trustee for the 2007B Bonds, and both the Trustee and the Standby Trustee shall be governed by the terms and conditions of this Indenture.~~

Section 10.18 Reports of Trustee. The Trustee shall provide such reports as may be reasonably required by the Corporation and the Issuer including a list of monthly activities and a list of securities held for the account of each Fund hereunder. The Trustee shall prepare and file with the Investment Banker a monthly report on the Debt Service Reserve Fund showing the amounts on deposit in such Fund at the beginning of the preceding month, any deposits into or withdrawals from such Fund during such month, and the balances on deposit in such Fund at the end of the month.

ARTICLE XI ACTS OF ~~BONDHOLDERS~~BENEFICIAL OWNERS

Section 11.01 Acts of ~~Bondholders~~Beneficial Owners. Any action to be taken by ~~Bondholders~~Beneficial Owners may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such ~~Bondholders~~Beneficial Owners in person or by agent appointed in writing. The fact and date of the execution by any person of any such instrument may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Any action by the ~~Registered~~Beneficial Owner of any Bond shall bind all future ~~Registered~~Beneficial Owners of the same Bond in respect of anything done or suffered by the Issuer or the Trustee in pursuance thereof.

ARTICLE XII AMENDMENT AND SUPPLEMENTS

Section 12.01 Amendments and Supplements Without Bondholders' Consent. This Indenture and the Amended Loan Agreement may be amended or supplemented in connection with the issuance of Additional Bonds, (subject to the limitations set forth herein and the Amended

Loan Agreement), or at any, other time and from time to time, without the consent of the Bondholders by a Supplemental Indenture (or a supplemental loan agreement in the case of an amendment or supplement to the Loan Agreement) authorized by a Certified Resolution of the Issuer filed with the Trustee, for one or more of the following purposes:

A. To provide for the issue of Additional Bonds; (subject to the limitations set forth herein and the Amended Loan Agreement);

B. To grant to the Bondholders or the Trustee additional rights and powers or to add any additional property to the Trust Estate under this Indenture including but not limited to additions to the Mortgaged Property;

C. To comply with any requirement of State law as the same applies to the Facilities; and

D. To cure any ambiguity or to cure, correct or supplement any provision of this Indenture or the Amended Loan Agreement in such manner as shall not impair the security of this Indenture or the Amended Loan Agreement or adversely affect the Bondholders.

Section 12.02 Amendments with Bondholders' Consent. This Indenture or the Amended Loan Agreement may be amended from time to time with the approval of the ~~Registered Owners~~ Majority of at least fifty-one percent (51%) in aggregate principal amount of Bonds Outstanding ~~Bondholders~~, but no such amendment shall, without the consent of the ~~Registered Beneficial~~ Owners of all Bonds Outstanding, extend the time for payment or reduce the amount of principal, interest or Redemption Price, if any, payable on the Bonds or change the provisions of this Indenture or the Amended Loan Agreement regarding amendments or supplements hereto or thereto or reduce the priority of the lien of this Indenture or the Amended Loan Agreement upon property pledged hereunder or thereunder, or the security provisions hereunder or thereunder.

Section 12.03 Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel. The Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture or amendment to this Indenture or the Amended Loan Agreement permitted by this Article XII and in so doing shall be fully protected by an opinion of Counsel that such Supplemental Indenture or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done.

ARTICLE XIII DEFEASANCE

Section 13.01 Defeasance. Whenever all Bonds Outstanding hereunder and all sums payable hereunder and under the Amended Loan Agreement by the Issuer and Corporation shall have been paid, or provision satisfactory to the Trustee made for such payment, by depositing Defeasance Obligations with the Trustee, redeemable prior to maturity only at the option of the

holder thereof, in an amount which with the income earned thereon will be sufficient without reinvestment to pay all principal of, and redemption premium, if any, and interest on the Bonds to maturity or prior redemption, and all other sums due hereunder, then the right, title and interest of the Trustee herein shall cease and become void, and thereupon the Trustee upon the request of the Issuer shall satisfy, release, cancel and discharge the lien of this Indenture and reassign and retransfer the Trust Estate created in this Indenture to the Issuer and shall execute and deliver to the Issuer such instruments and take such actions as shall be requisite to evidence the satisfaction hereof and effect said reassignment and retransfer. The Trustee shall take any such action only upon receipt of (i) a certificate of the Issuer (which may be given in reliance upon a certificate of the Corporation) and an opinion of Counsel, each stating in substance that in the opinion of the respective signers all conditions precedent provided for in this Indenture relating to such defeasance have been complied with, and (ii) an opinion of nationally recognized Bond Counsel stating in substance that such deposit will not adversely affect the exclusion from gross income for federal tax purposes of interest on the Bonds.

Section 13.02 Deposit of Funds. If the Corporation or the Issuer shall deposit with, or to the satisfaction of the Trustee make available to, the Trustee funds in the necessary amount to pay the principal of, and interest on the Bonds to maturity or to a date fixed for redemption, including, at the option of the Corporation, interest or income to be earned on the deposit or investment of such funds in Defeasance Obligations which will be sufficient without reinvestment, together with the funds so invested or deposited, as evidenced by a certificate of an Independent Accountant acceptable to the Trustee, to pay the principal of and redemption premium, if any, and interest on the Bonds at maturity or on the date fixed for redemption, with irrevocable direction so to apply the same, subject to the provisions of Section 13.01 hereof, whether such deposit shall be made at or prior to the maturity or the redemption date so fixed, then interest on such Bonds shall cease to accrue on such maturity date or date fixed for redemption, as applicable, such Bonds shall be deemed to be paid and no longer Outstanding hereunder and, thereafter, from the date of such deposit, the ~~Registered~~Beneficial Owners of the Bonds shall be restricted to the funds so deposited for payment thereof; provided, however, in the case of redemption, the notice requisite to the validity of such redemption shall have been given or waived or provision shall have been made, insuring to the satisfaction of the Trustee, that the same will be given.

Section 13.03 Application of Funds. All moneys deposited with, or otherwise made available to, the Trustee pursuant to Section 13.02 hereof shall be held in trust and applied by it to the payment, either directly or through any paying agent, to the ~~Registered~~Beneficial Owners of the particular Bonds, for the payment or redemption of which such moneys have been deposited with and invested by the Trustee, and of all sums due and to become due thereon for principal and redemption premium, if any, and interest, subject to the provisions of Section 14.10 hereof. Such deposits shall be subject to withdrawal, and such investments shall mature, on or before the date for payment or redemption on such Bonds.

Section 13.04 Payments to Trustee. The release, cancellation and discharge of this Indenture, however, shall be without prejudice to the right of the Trustee to be paid by the Corporation any compensation then due to it hereunder, and to be protected and saved harmless by the Corporation from any and all losses, liabilities, costs and expenses, including counsel fees, at any time incurred by the Trustee hereunder or connected with any Bond issued hereunder of and

from which, if this Indenture had not been released, cancelled and discharged, the Corporation would have been obligated by the terms of this Indenture to protect and save the Trustee harmless.

ARTICLE XIV MISCELLANEOUS PROVISIONS

Section 14.01 Limited Liability; No Personal Recourse. Neither the faith and credit of the Issuer, the County, or the State or any political subdivision thereof, nor the trucing power of the County, the State or any political subdivision thereof is pledged for the payment of the principal of, the interest on, or the premium, if any, payable upon the Bonds. The Bonds shall not be or constitute a general obligation or a pledge of the faith, credit or trucing power of the Issuer, the State or any political subdivision thereof, or a lien upon any property owned by or situated within the jurisdictional territorial limits of the Issuer, except upon the Trust Estate. The ~~Registered~~Beneficial Owners of the Bonds shall never have the right to require or compel the Issuer, the State or any political subdivision thereof to (i) levy any ad valorem taxes on any property to pay the principal of or premium, if any, or interest on the Bonds or to make any other payments provided for under the Amended Loan Agreement or this Indenture, pay the same from any funds other than those pledged under this Indenture, in the manner provided therein or (iii) require or enforce any payment or performance by the Issuer as provided by this Indenture or the Amended Loan Agreement unless the Issuer's expenses in respect thereof shall be paid from the Trust Estate or shall be advanced to the Issuer for such purpose, and the Issuer shall receive indemnity to its satisfaction. No covenant or agreement contained in the Bonds or this Indenture shall be deemed to be a covenant or agreement of any member, official, agent or employee of the Issuer in his individual capacity, and neither the members of the governing body of the Issuer nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds, all such liability being released as a condition of, and as a consideration for, the execution of this Indenture and the issuance of the Bonds.

Section 14.02 No Rights Conferred on Others. Nothing herein contained shall confer any right upon any person other than the parties hereto, the Corporation ~~and~~, the Registered Owner of the Bonds, and the Beneficial Owners of the Bonds.

Section 14.03 Illegal, etc., Provisions Disregarded. If any term of provision of this Indenture or the Bonds or the application thereof for any reason or circumstances shall to any extent be held to be invalid or unenforceable, the remaining provisions or the application of such term or provision to persons and situations other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision hereof and thereof shall be valid and enforced to the fullest extent permitted by law.

Section 14.04 Notices to Trustee and Issuer. Any notice to or demand upon the Trustee may be served, presented or made at the principal corporate trust office of the Trustee, and shall be deemed to have been sufficiently given or served on the Trustee for all purposes by being sent by first class United States mail to the Trustee at ~~The Bank of New York Trust Company, N.A., e/o The Bank of New York Trust Company, N.A. Trust Company of Florida, N.A., 10161~~

~~Centurion Parkway, Jacksonville, Florida 32256.~~ UMB Bank, N.A., 120 South Sixth Avenue, Suite 1400, Minneapolis, Minnesota 55402. Any notice to or demand upon the Issuer shall be deemed to have been sufficiently given or served on the Issuer for all purposes by being sent by first class United States mail to the Issuer, c/o Clerk of Courts, St. Johns County Courthouse, St. Augustine, Florida 32095 or such other address as maybe filed in writing by the Issuer with the Trustee.

Section 14.05 Controlling Law. The laws of the State shall govern the construction and interpretation of this Indenture.

Section 14.06 Successors and Assigns. All the covenants, promises and agreements in this Indenture contained by or on behalf of the Issuer or by or on behalf of the Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 14.07 Headings for Convenience Only. The descriptive headings in this Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 14.08 Counterparts. This Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute by one and the same instrument.

Section 14.09 Information Under Commercial Code. The following information is supplied to facilitate filings under the Uniform Commercial Code:

The secured party is ~~The UMB Bank of New York Trust Company~~, N.A., the Trustee and the Debtor is the St. Johns County Industrial Development Authority. Their mailing addresses are set forth in Section 14.04 hereof.

Section 14.10 Termination of Liability. If any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for purchase or redemption thereof, if the Issuer or Corporation shall have deposited with the Trustee for the purpose, or left with it in trust if previously so deposited, funds sufficient to pay the principal of such Bond and, premium, if any, together with all interest due thereon to the date of maturity thereof or to the date fixed for the purchase or redemption thereof, for the benefit of the Registered Beneficial Owner thereof all liability of the Issuer to the Registered Owner of such Bond for the payment thereof, as the case may be, shall, except as hereinafter provided, forthwith cease and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the Registered Beneficial Owner of such Bond, who shall thereafter be restricted, except as hereinafter provided, exclusively to such funds for any claim of whatsoever nature on his part under this Indenture or on, or with respect to, such Bond.

Any moneys deposited with or held by the Trustee, pursuant to the terms of this Indenture, for the payment, purchase or redemption of Bonds and remaining unclaimed by the Registered Beneficial Owners of the Bonds for three (3) years after the date of maturity, or the date fixed for redemption, as the case may be, shall upon the written request of the Corporation, or its

legal successor therefor, and if the Corporation is not at the time to the knowledge of the Trustee in default with respect to any of the terms and conditions in this Indenture or in the Bonds contained, be paid to the Corporation or its legal successor against its written receipt therefor, and such ~~Registered~~ Beneficial Owners of the Bonds shall thereafter have and be limited to a claim against the Corporation or its legal successor for any claim which they may have to any portion of said funds; provided, however, that the Trustee, before being required to make any such payment to the Corporation or its legal successor, may, at the expense of the Corporation or its legal successor, cause a notice to be published once in an Authorized Newspaper stating that such moneys remain unclaimed as aforesaid and that after a specified date they will be returned to the Corporation.

Section 14.11 Limitation of the Issuer's Liability. Notwithstanding any provision or obligations to the contrary in the foregoing, the liability of the Issuer for the payment of amounts due hereunder, or for claims, liabilities, costs, fees, penalties, taxes, interest, commission charges, insurance and other payments of any kind, nature or description provided herein, shall be limited to the enforcement against the Trust Estate granted the Trustee herein, and the lien of any judgment entered thereon shall be so limited and the judgment docket and index shall be so noted.

Section 14.12 Substitute Payment Date. In any case where a payment date is not a Business Day, the payment of principal or Redemption Price, if any, of, or interest on, the Bonds may be made on the next succeeding Business Day with the same force and effect as if made on such payment date.

Section 14.13 Investment Banker Exempt from Liability. The Investment Banker shall not be liable to any Bondholder or holder of Long-Term Indebtedness of the Corporation for any reasonable action that it may or may not take or in respect of anything that it may or may not reasonably do as a result of any information contained in any reports or other documents received by it under the provisions of this Indenture. The immunities and exemptions from liability of the Investment Banker hereunder shall extend to its partners, owners, officers, successors, employees and agents.

Section 14.14. Times. All references herein to time are references to Eastern Standard Time.

IN WITNESS WHEREOF, St. Johns County Industrial Development Authority has caused this Indenture to be executed by its Chairman and its corporate seal to be hereunto affixed, attested by its ~~Assistant Secretary and The UMB Bank of New York Trust Company, N.A., as~~ Trustee, has caused this Indenture to be executed by one of its authorized officers and its seal to be hereunto affixed, all as of the day and year first above written.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____
J. Eugene Watson, Jr.,

Chairman

(SEAL)

Attest:

By: _____
William A Brown,
Assistant _____,
Secretary

**~~THE BANK OF NEW YORK TRUST
COMPANY, N.A.,
as Trustee~~**

By: _____
Christine W. Hutchinson,
Assistant Treasurer

**STATE OF FLORIDA
COUNTY OF ST. JOHNS**

The foregoing instrument was acknowledged before me this 20th day of February, 2007 April, 2019, by J. Eugene Watson, Jr. _____ and William A. Brown, _____, as Chairman and Assistant Secretary, respectively, of the St. Johns County Industrial Development Authority. They are personally known to me or have produced their driver's license as identification. They did not take an oath.

NOTARY PUBLIC

(SEAL)

(Print Name) _____
State of Florida at Large
My Commission Expires: _____
Certificate Number: _____

UMB BANK, N.A.,
as Trustee

By: _____
Gavin Wilkinson
Senior Vice President

STATE OF ~~FLORIDA~~ MINNESOTA
COUNTY OF ~~DUVAL~~ HENNING

The foregoing instrument was acknowledged before me this ~~21st~~ day of ~~February,~~
~~2007~~ April, 2019, by ~~Christine W. Hutchinson~~ Gavin Wilkinson, as an authorized signatory, of
~~The UMB Bank of New York Trust Company, N.A.~~ She ~~He~~ is personally known to me. ~~She~~ He
did not take an oath.

NOTARY PUBLIC

(Print Name)
State of Florida at Large
My Commission Expires: _____
Certificate Number: _____

(SEAL)

Exhibit A
To
Indenture
~~Form~~Specimen of Series 2007A Bond

No. R _____ \$ _____

~~UNITED STATES OF AMERICA~~
~~STATE OF FLORIDA~~
~~ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY~~
~~HEALTH CARE REVENUE REFUNDING BOND, TAX EXEMPT SERIES 2007A~~
~~(BAYVIEW PROJECT)~~

Rate of
Interest

Maturity Date

Dated Date

Cusip

February 22, 2007

Principal Amount: _____ DOLLARS

Registered Owner: Cede & Co.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent and Registrar for registration, transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or in the name of such other entity as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE OF THIS BOND FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner of this Bond, Cede & Co., has an interest in this Bond.

~~St. Johns County Industrial Development Authority (the "Authority"), a public body corporate and politic existing under the laws of the State of Florida, for value received, hereby promises to pay, but only out of the Trust Estate (as defined in the Indenture hereinafter defined), to the order of the Registered Owner stated above, or registered assigns, on the Maturity Date hereof, unless this Bond shall have been duly accelerated or called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the Principal Amount stated above, and to pay the Registered Owner hereof, but only out of the Trust Estate, interest thereon at the Rate of Interest stated above on the basis of twelve (12) thirty (30) day months in a 360 day year, from the Dated Date shown above or from such later date to which interest has been paid until payment of the Principal Amount shall have been made or provided for at fixed maturity or maturity by acceleration or this Bond shall have been called for redemption. Interest payments shall be made on April 1, 2007 and semiannually thereafter on the 1st day of April and October of each year (each such payment date being an "Interest Payment~~

Date") until the Principal Amount has been paid or provided for, at which time interest shall cease to accrue.

The principal of and premium, if any, on this Bond upon maturity, acceleration or redemption is payable upon presentation and surrender at the designated corporate trust office of The Bank of New York Trust Company, N.A. (the "Trustee"). Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed by the Trustee (or by wire transfer to a designated bank in the United States for the account of a Registered Owner of \$500,000 or more in aggregate Principal Amount of 2007 Bonds of this series pursuant to instructions filed by such Registered Owner with the Trustee) to the Registered Owner, at his/her address as it appears on the registration books of the Authority (the "Bond Register") maintained by the Trustee at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date or if such fifteenth (15th) day is not a business day, the last preceding business day prior to the fifteenth (15th) day of the month (the "Record Date"), irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such Interest Payment Date. Any such interest not so timely paid or duly provided for shall cease to be payable to the Registered Owner as of the Record Date, and shall be payable to the person who is the Registered Owner hereof (or of one or more predecessor bonds) at the close of business on a special record date established by the Trustee (the "Special Record Date") preceding the date set for the payment of such defaulted interest (the "Special Payment Date"). Such Special Payment Date shall be fixed by the Trustee whenever money becomes available for payment of the defaulted interest, and written notice of the Special Payment Date shall be given to the Registered Owners as of the Special Record Date not less than ten (10) days prior to the Special Payment Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of a duly authorized issue of \$14,335,000 aggregate Principal Amount of St. Johns County Industrial Development Authority, Health Care Revenue Refunding Bonds, Tax Exempt Series 2007A (Bayview Project) ("the 2007A Bonds"), all of like stated date and tenor, except as to Rate of Interest, Maturity Date and provisions for redemption and all issued under a Trust Indenture (the "Indenture"), dated as of February 1, 2007 (the "Indenture"), executed and delivered by the Authority to the Trustee. The 2007A Bonds are equally and ratably secured with the Authority's \$170,000 aggregate principal amount of Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project) (the "2007B Bonds") which are also issued under the Indenture. The 2007A Bonds and the 2007B Bonds are herein collectively referred to as the "2007 Bonds".

The 2007 Bonds are issued to provide funds to (1) refund the Authority's outstanding Health Care Revenue Bonds (Bayview Project), Tax Exempt Series 1997A and Taxable Series 1997B, originally issued to pay the Costs of the acquisition, construction, improvement and equipping of a health care facility consisting of a new 120 bed skilled nursing and/or extended congregate care facility and a 59 bed assisted living facility, known collectively as "Bayview" (the "1997 Project") within St. Johns County, Florida, (2) pay the costs of the Project as described in the Indenture, (3) fund a debt service reserve and provide working capital to fund accounts receivable, and (4) pay the costs of issuing the 2007 Bonds and are secured under the Indenture by the Trust Estate as defined therein.

Reference is made to the Indenture and to the Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 (the "Loan Agreement"), between the Authority and St. Johns County Welfare Federation, a Florida not for profit corporation (the "Corporation"), executed counterparts of which are on file at the designated corporate trust office of the Trustee, for (i) a statement of the purposes for which the 2007 Bonds are issued, (ii) a description of the Trust Estate of the Authority assigned and pledged for the payment of the principal or redemption price, if any, of, and interest on, the 2007 Bonds, (iii) the terms and conditions under which the Indenture and Loan Agreement may be amended or modified and the terms and conditions under which Additional Bonds may be issued under the Indenture, (iv) a description of the duties, obligations and rights of the Authority, the Trustee, the Corporation and the Registered Owners of the 2007 Bonds, (v) the terms and conditions under which the 2007 Bonds are issued and secured, (vi) a description of the security for the 2007 Bonds and the nature, extent and manner of enforcement of such security, including acceleration of maturity, (vii) the manner in which the Corporation may incur non-Authority debt secured on a parity with the 2007 Bonds, and (viii) the extent of and limitation of the rights of the Registered Owners of the 2007 Bonds under the Indenture, to all of which each Registered Owner, from time to time hereof, assents as an explicit and material portion of the consideration running to the Authority to induce it to execute the Indenture and issue this Bond.

The Indenture prescribes the manner and the terms under which the lien of the Indenture may be discharged and also includes a provision that if, subject to certain conditions of the Indenture, the Authority deposits with, or to the satisfaction of the Trustee makes available to, the Trustee funds or certain investments specified in the Indenture, the principal of and interest on which, when due, will be sufficient to pay the principal of, premium, if any, and interest on, any 2007 Bonds issued under the Indenture, at stated maturity or on a date fixed for redemption, then

the interest on such 2007 Bonds shall cease to accrue on such maturity or redemption date, as applicable, and such 2007 Bonds shall be deemed to be paid and, thereafter, from the date of such deposit, the Registered Owners of such 2007 Bonds shall be restricted to the funds and investments so deposited for payment thereof as provided in the Indenture.

~~NEITHER THE FAITH AND CREDIT OF THE AUTHORITY, ST. JOHNS COUNTY, OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, NOR THE TAXING POWER OF THE AUTHORITY, ST. JOHNS COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF, THE INTEREST ON, OR THE PREMIUM, IF ANY, PAYABLE UPON THIS BOND. THIS BOND SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, OR A LIEN UPON ANY PROPERTY OWNED BY OR SITUATED WITHIN THE JURISDICTIONAL TERRITORIAL LIMITS OF THE AUTHORITY, EXCEPT UPON THE TRUST ESTATE. THE REGISTERED OWNER OF THIS BOND SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE AUTHORITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF TO (I) LEVY ANY AD VALOREM TAXES ON ANY PROPERTY TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR TO MAKE ANY OTHER PAYMENTS PROVIDED FOR UNDER THE LOAN AGREEMENT OR THE INDENTURE, (II) PAY THE SAME FROM ANY FUNDS OTHER THAN THOSE PLEDGED UNDER THE INDENTURE, IN THE MANNER PROVIDED THEREIN, OR (III) REQUIRE OR ENFORCE ANY PAYMENT OR PERFORMANCE BY THE CORPORATION PROVIDED BY THE INDENTURE OR THE LOAN AGREEMENT UNLESS THE AUTHORITY'S EXPENSES IN RESPECT THEREOF SHALL BE PAID FROM THE TRUST ESTATE OR SHALL BE ADVANCED TO THE AUTHORITY FOR SUCH PURPOSE, AND THE AUTHORITY SHALL RECEIVE INDEMNITY TO ITS SATISFACTION. NO COVENANT OR AGREEMENT CONTAINED IN THIS BOND OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER, OFFICIAL, AGENT OR EMPLOYEE OF THE AUTHORITY IN HIS INDIVIDUAL CAPACITY, AND NEITHER THE MEMBERS OF THE GOVERNING BODY OF THE AUTHORITY NOR ANY OFFICIAL EXECUTING THIS BOND SHALL BE LIABLE PERSONALLY ON THIS BOND OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THIS BOND, ALL SUCH LIABILITY BEING RELEASED AS A CONDITION OF, AND AS A CONSIDERATION FOR, THE EXECUTION OF THE INDENTURE AND THE ISSUANCE OF THIS BOND.~~

~~**Optional Redemption.** The Series A Bonds are subject to redemption on or after October 1, 2017, as a whole or in part at any time at the option of the Issuer at the direction of the Corporation at a redemption price of 100% of the principal amount, plus accrued interest to the redemption date.~~

~~**Mandatory Sinking Fund Redemption.** The Series A Bonds are subject to mandatory sinking fund redemption in part, in direct order of maturity, and within a maturity by lot, on October 1 in the years and in the respective amounts set forth below. Mandatory redemptions shall~~

be made at a redemption price equal to the principal amount of 2007 Bonds to be redeemed plus interest accrued to the redemption date.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2008	\$ 75,000	2025	\$ 360,000
2009	160,000	2026	380,000
2010	170,000	2027*	400,000
2011	180,000	2028	420,000
2012	190,000	2029	440,000
2013	195,000	2030	465,000
2014	205,000	2031	490,000
2015	220,000	2032	515,000
2016	230,000	2033	540,000
2017*	240,000	2034	570,000
2018	250,000	2035	600,000
2019	265,000	2036	630,000
2020	280,000	2037	665,000
2021	295,000	2038	700,000
2022	310,000	2039	735,000
2023	325,000	2040	775,000
2024	340,000	2041*	1,720,000

*—— Maturity shown for information

In the event that the 2007 Bonds are redeemed in part pursuant to the Indenture (other than by mandatory sinking fund redemption), in an aggregate principal amount on any one redemption date exceeding \$100,000, the Trustee shall apply the amount of such redemption to reduce the amounts of subsequent mandatory sinking fund redemptions of the 2007 Bonds as nearly as practicable in proportion to the respective aggregate principal amounts of such mandatory redemptions as set forth in the Indenture, provided, that the amount of each mandatory redemption, as so revised, shall be in a whole multiple of \$5,000. Any redemption (other than by mandatory sinking fund redemption) in an amount of \$100,000 or less shall be applied to reduce succeeding mandatory sinking fund redemptions in direct order of their redemption dates.

The amount of 2007 Bonds described in the Indenture required to be redeemed by mandatory sinking fund redemption in each year shall be reduced by the amount of any such 2007 Bonds purchased by or at the request of the Corporation and delivered to the Trustee for cancellation.

Special Redemption. The 2007A Bonds are subject to special redemption as follows:

(A)—— The 2007 Bonds are subject to extraordinary redemption at the Redemption Price, without premium, (1) as a whole, if the obligations of the Corporation under the Loan Agreement become unenforceable in any material respect as a result of changes in constitutional, statutory or administrative law, such redemption to be made within forty five (45) days after notice of the

~~occurrence of the event causing the obligations of the Corporation to become unenforceable has been filed with the Trustee by the Corporation; or (2) as a whole or in part, in amounts as nearly as practicable in proportion to the respective principal amounts of the 2007 Bonds Outstanding of each series and each maturity of a series and within a maturity by lot, from such proceeds of hazard insurance or condemnation awards as are not applied to the repair, reconstruction or replacement of the Mortgaged Property and are required to be used to redeem 2007 Bonds, all pursuant to the Loan Agreement; and~~

~~(B) — The 2007A Bonds are subject to special redemption in the event of a Determination of Taxability, on a date determined by the Trustee which is within one hundred twenty (120) days of such Determination of Taxability, as a whole, or in part if such partial redemption will preserve the 2007A Bonds as Tax Exempt Bonds, at a Redemption Price of (1) one hundred five percent (105%) of the principal amount, if, in the opinion of Bond Counsel, the Determination of Taxability was the result of any action or inaction on the part of the Corporation, and (2) 100% of the principal amount if, in the opinion of Bond Counsel, the Determination of Taxability was not the result of any action or inaction by the Corporation; plus accrued interest to the redemption date, provided that no such redemption is required to be made if and so long as such Determination of Taxability is being appealed or otherwise contested in good faith by the Corporation and/or the Issuer; and provided, further, that such contest shall not have continued for longer than two (2) years after the occurrence of such Determination of Taxability.~~

~~Notice of redemption shall be given as provided in the Indenture. Upon deposit with the Trustee of sufficient funds for such redemption, all interest on the 2007 Bonds called for redemption accruing on and after the date fixed for redemption shall cease, and the Registered Owners of the 2007 Bonds called for redemption shall have no security, benefit or lien under the Indenture or any right except to receive payment of the Redemption Price and interest accrued to the date fixed for redemption.~~

~~This Bond is fully registered in the name of the Registered Owner on the Bond Register kept for the purpose at the designated corporate trust office of the Trustee, such registration to be noted hereon by the Trustee on behalf of the Authority. No transfer or exchange shall be valid as against the Authority or the Trustee unless made by the Registered Owner in person or by his/her duly authorized attorney or legal representative at the designated corporate trust office of the Trustee, upon surrender hereof, and similarly noted upon the Bond Register and hereon. 2007 Bonds of a particular denomination may be exchanged for 2007 Bonds of like series and tenor with different denominations in any integral multiple of \$5,000. Upon any such transfer or exchange, the Authority shall issue and, after due authentication by the Trustee, shall deliver to or upon the order of the Registered Owner, a new registered 2007 Bond or 2007 Bonds, in authorized denominations aggregating the principal amount thereof, maturing on the same date, bearing interest at the same rate, bearing the same series designation as this Bond and registered in such names as shall be requested.~~

~~The Trustee will not be required to transfer or exchange: (1) any 2007 Bond during a period beginning at the opening of business on any date when 2007 Bonds, or portions thereof, are selected for redemption and ending at the close of business on the day of the mailing of a notice~~

of redemption of such 2007 Bonds; or (2) any 2007 Bond so selected for redemption in whole or in part.

~~The Authority and the Trustee shall treat the person in whose name this 2007 Bond is registered as the absolute owner of this 1997 Bond for all purposes whether or not this 2007 Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. All payments of the principal, interest and redemption premium made to the Registered Owner hereof in the manner set forth herein and in the Indenture shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, whether or not notation of the same be made hereon, and any consent, waiver or action taken by such Registered Owner pursuant to the provisions of the Indenture shall be conclusive and binding upon such Registered Owner, his heirs, successors and assigns, and upon all transferees hereof, whether or not notation thereof be made hereon or on any 2007 Bond issued in exchange hereof.~~

~~In case an Event of Default, as defined in the Indenture, shall occur, the principal of all 2007 Bonds then Outstanding under the Indenture may be declared or may become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.~~

~~The Registered Owner of this 2007 Bond shall have no right to enforce provisions of this 2007 Bond or the Indenture, except as provided in the Indenture.~~

~~The Authority, solely for the convenience of the Bondholders, has caused CUSIP (Committee on Uniform Security Identification Procedures) numbers to be printed on the 2007 Bonds and has directed the Trustee to use CUSIP numbers in notices of redemption for the 2007 Bonds. No representation is made as to the accuracy of such numbers either as printed on the 2007 Bonds or as contained in any notice of redemption, and the Authority shall have no liability of any sort with respect thereto. Reliance with respect to redemption notices may be placed only on the identification number prefixed "R" printed hereon.~~

~~This Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose unless the Trustee's Authentication Certificate printed hereon is duly and manually executed.~~

~~IN WITNESS WHEREOF, St. Johns County Industrial Development Authority has caused this Bond to be signed in its name and on its behalf by the facsimile signature of its Chairman and a facsimile of its corporate seal to be printed hereon, duly attested by the facsimile signature of its Assistant Secretary, all as of the Dated Date.~~

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____

Chairman

(SEAL)

Attest:

By: _____

Assistant Secretary

~~TRUSTEE'S AUTHENTICATION CERTIFICATE~~

~~This Bond is one of the 2007A Bonds, of the series designated herein, described in the within mentioned Indenture.~~

**~~THE BANK OF NEW YORK TRUST
COMPANY, N.A., Trustee~~**

~~By: _____

Authorized Officer~~

~~Authentication Date:~~

ASSIGNMENT

ASSIGNMENT FOR VALUE RECEIVED, the undersigned

(the "Transferor"),
hereby sells, assigns, and transfers unto _____ (Please
print name, address, zip code and Social Security or Federal Employer Identification number of
assignee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and
appoints _____ (the "Transferee") as
attorney to register the transfer of the within Bond on the books kept for registration thereof, with
full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed
by an institution which is a participant in the
Securities Transfer Agent Medallion
Program (STAMP) or similar program.

NOTICE: No transfer will be registered and
no new Bond will be issued in the name of
the Transferee, unless the signature(s) to this
assignment corresponds with the name as it
appears upon the face of the within Bond in
every particular, without alteration or
enlargement or any change whatever and the
Social Security or Federal Employer
Identification Number of the Transferee is
supplied.

The following abbreviations, when used in the inscription on the face of the within Bond,
shall be construed as though they were written out in full according to applicable laws or
regulations:

TEN COM _____ as tenants in _____ UNIF TRANS MIN ACT _____

	~~common~~	~~(Cust.)~~
~~TEN ENT~~	~~as tenants by the~~	~~Custodian for~~
	~~entireties~~	~~(Minor)~~
~~JTTEN~~	~~as joint tenants with~~	~~under Uniform Transfers to~~
	~~right of survivor~~	~~Minors Act of~~
	~~ship and not as~~	
	~~tenants in common~~	~~(State)~~

~~Additional abbreviations may also be used though not in list above.~~

Exhibit A
To
Indenture
Form of Series 2007B Bond

No. R _____ \$ _____

UNITED STATES OF AMERICA
STATE OF FLORIDA
ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
HEALTH CARE REVENUE REFUNDING BOND, TAXABLE SERIES 2007B
(BAYVIEW PROJECT)

Rate of
Interest

Maturity Date

Dated Date

Cusip

February 22, 2007

Principal Amount: _____ DOLLARS

Registered Owner: Cede & Co.

~~Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent and Registrar for registration, transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or in the name of such other entity as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE OF THIS BOND FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner of this Bond, Cede & Co., has an interest in this Bond.~~

~~St. Johns County Industrial Development Authority (the "Authority"), a public body corporate and politic existing under the laws of the State of Florida, for value received, hereby promises to pay, but only out of the Trust Estate (as defined in the Indenture hereinafter defined), to the order of the Registered Owner stated above, or registered assigns, on the Maturity Date hereof, unless this Bond shall have been duly accelerated or called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the Principal Amount stated above, and to pay the Registered Owner hereof, but only out of the Trust Estate, interest thereon at the Rate of Interest stated above on the basis of twelve (12) thirty (30) day months in a 360 day year, from the Dated Date shown above or from such later date to which interest has been paid until payment of the Principal Amount shall have been made or provided for at fixed maturity or maturity by acceleration or this Bond shall have been called for redemption. Interest payments shall be made on April 1, 2007 and semiannually thereafter on the 1st day of April and October of each year (each such payment date being an "Interest Payment~~

Date") until the Principal Amount has been paid or provided for, at which time interest shall cease to accrue.

~~The principal of and premium, if any, on this Bond upon maturity, acceleration or redemption is payable upon presentation and surrender at the designated corporate trust office of The Bank of New York (the "Trustee"). Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed by the Trustee (or by wire transfer to a designated bank in the United States for the account of a Registered Owner of \$500,000 or more in aggregate Principal Amount of Bonds of this series pursuant to instructions filed by such Registered Owner with the Trustee) to the Registered Owner, at his/her address as it appears on the registration books of the Authority (the "Bond Register") maintained by the Trustee at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date or if such fifteenth (15th) day is not a business day, the last preceding business day prior to the fifteenth (15th) day of the month (the "Record Date"), irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such Interest Payment Date. Any such interest not so timely paid or duly provided for shall cease to be payable to the Registered Owner as of the Record Date, and shall be payable to the person who is the Registered Owner hereof (or of one or more predecessor bonds) at the close of business on a special record date established by the Trustee (the "Special Record Date") preceding the date set for the payment of such defaulted interest (the "Special Payment Date"). Such Special Payment Date shall be fixed by the Trustee whenever money becomes available for payment of the defaulted interest, and written notice of the Special Payment Date shall be given to the Registered Owners as of the Special Record Date not less than ten (10) days prior to the Special Payment Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts.~~

~~This Bond is one of a duly authorized issue of \$170,000 aggregate Principal Amount of St. Johns County Industrial Development Authority, Health Care Revenue Refunding Bonds, Taxable Series 2007B (Bayview Project) ("the 2007B Bonds"), all of like stated date and tenor, except as to Rate of Interest, Maturity Date and provisions for redemption and all issued under a Trust Indenture (the "Indenture"), dated as of February 1, 2007 (the "Indenture"), executed and delivered by the Authority to the Trustee. The 2007B Bonds are equally and ratably secured with the Authority's \$14,335,000 aggregate principal amount of Health Care Revenue Bonds, Tax Exempt Series 2007A (Bayview Project) (the "2007A Bonds") which are also issued under the Indenture. The 2007A Bonds and the 2007B Bonds are herein collectively referred to as the "2007 Bonds".~~

~~The 2007 Bonds are issued to provide funds to (1) refund the Authority's outstanding Health Care Revenue Bonds (Bayview Project), Tax Exempt Series 1997A and Taxable Series 1997B, originally issued to pay the Costs of the acquisition, construction, improvement and equipping of a health care facility consisting of a new 120 bed skilled nursing and/or extended congregate care facility and a 59 bed assisted living facility, known collectively as "Bayview" (the "1997 Project") within St. Johns County, Florida, (2) pay the costs of the Project as described in the Indenture, (3) fund a debt service reserve and provide working capital to fund accounts receivable, and (4) pay the costs of issuing the 2007 Bonds and are secured under the Indenture by the Trust Estate as defined therein.~~

~~Reference is made to the Indenture and to the Loan Agreement, Mortgage and Security Agreement dated as of February 1, 2007 (the "Loan Agreement"), between the Authority and St. Johns County Welfare Federation, a Florida not for profit corporation (the "Corporation"), executed counterparts of which are on file at the designated corporate trust office of the Trustee, for (i) a statement of the purposes for which the 2007 Bonds are issued, (ii) a description of the Trust Estate of the Authority assigned and pledged for the payment of the principal or redemption price, if any, of, and interest on, the 2007 Bonds, (iii) the terms and conditions under which the Indenture and Loan Agreement may be amended or modified and the terms and conditions under which Additional Bonds may be issued under the Indenture, (iv) a description of the duties, obligations and rights of the Authority, the Trustee, the Corporation and the Registered Owners of the 2007 Bonds, (v) the terms and conditions under which the 2007 Bonds are issued and secured, (vi) a description of the security for the 2007 Bonds and the nature, extent and manner of enforcement of such security, including acceleration of maturity, (vii) the manner in which the Corporation may incur non-Authority debt secured on a parity with the 2007 Bonds, and (viii) the extent of and limitation of the rights of the Registered Owners of the 2007 Bonds under the Indenture, to all of which each Registered Owner, from time to time hereof, assents as an explicit and material portion of the consideration running to the Authority to induce it to execute the Indenture and issue this Bond.~~

~~The Indenture prescribes the manner and the terms under which the lien of the Indenture may be discharged and also includes a provision that if, subject to certain conditions of the Indenture, the Authority deposits with, or to the satisfaction of the Trustee makes available to, the Trustee funds or certain investments specified in the Indenture, the principal of and interest on which, when due, will be sufficient to pay the principal of, premium, if any, and interest on, any 2007 Bonds issued under the Indenture, at stated maturity or on a date fixed for redemption, then the interest on such 2007 Bonds shall cease to accrue on such maturity or redemption date, as applicable, and such 2007 Bonds shall be deemed to be paid and, thereafter, from the date of such deposit, the Registered Owners of such 2007 Bonds shall be restricted to the funds and investments so deposited for payment thereof as provided in the Indenture.~~

~~NEITHER THE FAITH AND CREDIT OF THE AUTHORITY, ST. JOHNS COUNTY, OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, NOR THE TAXING POWER OF THE AUTHORITY, ST. JOHNS COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF, THE INTEREST ON, OR THE PREMIUM, IF ANY, PAYABLE UPON THIS BOND. THIS BOND SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, OR A LIEN UPON ANY PROPERTY OWNED BY OR SITUATED WITHIN THE JURISDICTIONAL TERRITORIAL LIMITS OF THE AUTHORITY, EXCEPT UPON THE TRUST ESTATE. THE REGISTERED OWNER OF THIS BOND SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE AUTHORITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF TO (I) LEVY ANY AD VALOREM TAXES ON ANY PROPERTY TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR TO MAKE ANY OTHER PAYMENTS PROVIDED FOR UNDER THE LOAN AGREEMENT OR THE INDENTURE, (II) PAY THE SAME FROM~~

~~ANY FUNDS OTHER THAN THOSE PLEDGED UNDER THE INDENTURE, IN THE MANNER PROVIDED THEREIN, OR (III) REQUIRE OR ENFORCE ANY PAYMENT OR PERFORMANCE BY THE CORPORATION PROVIDED BY THE INDENTURE OR THE LOAN AGREEMENT UNLESS THE AUTHORITY'S EXPENSES IN RESPECT THEREOF SHALL BE PAID FROM THE TRUST ESTATE OR SHALL BE ADVANCED TO THE AUTHORITY FOR SUCH PURPOSE, AND THE AUTHORITY SHALL RECEIVE INDEMNITY TO ITS SATISFACTION. NO COVENANT OR AGREEMENT CONTAINED IN THIS BOND OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER, OFFICIAL, AGENT OR EMPLOYEE OF THE AUTHORITY IN HIS INDIVIDUAL CAPACITY, AND NEITHER THE MEMBERS OF THE GOVERNING BODY OF THE AUTHORITY NOR ANY OFFICIAL EXECUTING THIS BOND SHALL BE LIABLE PERSONALLY ON THIS BOND OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THIS BOND, ALL SUCH LIABILITY BEING RELEASED AS A CONDITION OF, AND AS A CONSIDERATION FOR, THE EXECUTION OF THE INDENTURE AND THE ISSUANCE OF THIS BOND.~~

~~**Optional Redemption.** The 2007B Bonds are not subject to optional redemption prior to maturity.~~

~~**Mandatory Sinking Fund Redemption.** The Series B Bonds are subject to mandatory sinking fund redemption in part, in direct order of maturity, and within a maturity by lot, on April 1 and October 1 in the years and in the respective amounts set forth below. Mandatory redemptions shall be made at a redemption price equal to the principal amount of 2007 Bonds to be redeemed plus interest accrued to the redemption date.~~

<u>Principal Year</u>	<u>Amount</u>
October 1, 2007	\$90,000
April 1, 2008*	80,000

*—— Maturity shown for information

~~In the event that the 2007 Bonds are redeemed in part pursuant to the Indenture (other than by mandatory sinking fund redemption), in an aggregate principal amount on any one redemption date exceeding \$100,000, the Trustee shall apply the amount of such redemption to reduce the amounts of subsequent mandatory sinking fund redemptions of the 2007 Bonds as nearly as practicable in proportion to the respective aggregate principal amounts of such mandatory redemptions as set forth in the Indenture, provided, that the amount of each mandatory redemption, as so revised, shall be in a whole multiple of \$5,000. Any redemption (other than by mandatory sinking fund redemption) in an amount of \$100,000 or less shall be applied to reduce succeeding mandatory sinking fund redemptions in direct order of their redemption dates.~~

~~The amount of 2007 Bonds described in the Indenture required to be redeemed by mandatory sinking fund redemption in each year shall be reduced by the amount of any such 2007~~

~~Bonds purchased by or at the request of the Corporation and delivered to the Trustee for cancellation.~~

~~**Special Redemption.** (A) The 2007 Bonds are subject to extraordinary redemption at the Redemption Price, without premium, (1) as a whole, if the obligations of the Corporation under the Loan Agreement become unenforceable in any material respect as a result of changes in constitutional, statutory or administrative law, such redemption to be made within forty-five (45) days after notice of the occurrence of the event causing the obligations of the Corporation to become unenforceable has been filed with the Trustee by the Corporation; or (2) as a whole or in part, in amounts as nearly as practicable in proportion to the respective principal amounts of the 2007 Bonds Outstanding of each series and each maturity of a series and within a maturity by lot, from such proceeds of hazard insurance or condemnation awards as are not applied to the repair, reconstruction or replacement of the Mortgaged Property and are required to be used to redeem 2007 Bonds, all pursuant to the Loan Agreement; and~~

~~Notice of redemption shall be given as provided in the Indenture. Upon deposit with the Trustee of sufficient funds for such redemption, all interest on the 2007 Bonds called for redemption accruing on and after the date fixed for redemption shall cease, and the Registered Owners of the 2007 Bonds called for redemption shall have no security, benefit or lien under the Indenture or any right except to receive payment of the Redemption Price and interest accrued to the date fixed for redemption.~~

~~This Bond is fully registered in the name of the Registered Owner on the Bond Register kept for the purpose at the designated corporate trust office of the Trustee, such registration to be noted hereon by the Trustee on behalf of the Authority. No transfer or exchange shall be valid as against the Authority or the Trustee unless made by the Registered Owner in person or by his/her duly authorized attorney or legal representative at the designated corporate trust office of the Trustee, upon surrender hereof, and similarly noted upon the Bond Register and hereon. 2007 Bonds of a particular denomination may be exchanged for 2007 Bonds of like series and tenor with different denominations in any integral multiple of \$5,000. Upon any such transfer or exchange, the Authority shall issue and, after due authentication by the Trustee, shall deliver to or upon the order of the Registered Owner, a new registered 2007 Bond or 2007 Bonds, in authorized denominations aggregating the principal amount thereof, maturing on the same date, bearing interest at the same rate, bearing the same series designation as this Bond and registered in such names as shall be requested.~~

~~The Trustee will not be required to transfer or exchange: (1) any 2007 Bond during a period beginning at the opening of business on any date when 2007 Bonds, or portions thereof, are selected for redemption and ending at the close of business on the day of the mailing of a notice of redemption of such 2007 Bonds; or (2) any 2007 Bond so selected for redemption in whole or in part.~~

~~The Authority and the Trustee shall treat the person in whose name this 2007 Bond is registered as the absolute owner of this 2007 Bond for all purposes whether or not this 2007 Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. All payments of the principal, interest and redemption premium made to the Registered~~

~~Owner hereof in the manner set forth herein and in the Indenture shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, whether or not notation of the same be made hereon, and any consent, waiver or action taken by such Registered Owner pursuant to the provisions of the Indenture shall be conclusive and binding upon such Registered Owner, his heirs, successors and assigns, and upon all transferees hereof, whether or not notation thereof be made hereon or on any 2007 Bond issued in exchange hereof.~~

~~In case an Event of Default, as defined in the Indenture, shall occur, the principal of all 2007 Bonds then Outstanding under the Indenture may be declared or may become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.~~

~~The Registered Owner of this 2007 Bond shall have no right to enforce provisions of this 2007 Bond or the Indenture, except as provided in the Indenture.~~

~~The Authority, solely for the convenience of the Bondholders, has caused CUSIP (Committee on Uniform Security Identification Procedures) numbers to be printed on the 2007 Bonds and has directed the Trustee to use CUSIP numbers in notices of redemption for the 2007 Bonds. No representation is made as to the accuracy of such numbers either as printed on the 2007 Bonds or as contained in any notice of redemption, and the Authority shall have no liability of any sort with respect thereto. Reliance with respect to redemption notices may be placed only on the identification number prefixed "R" printed hereon.~~

~~This Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose unless the Trustee's Authentication Certificate printed hereon is duly and manually executed.~~

~~IN WITNESS WHEREOF, St. Johns County Industrial Development Authority has caused this Bond to be signed in its name and on its behalf by the facsimile signature of its Chairman and a facsimile of its corporate seal to be printed hereon, duly attested by the facsimile signature of its Assistant Secretary, all as of the Dated Date.~~

~~ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY~~

By: _____

Chairman

(SEAL)

Attest:

By: _____

Assistant Secretary

~~TRUSTEE'S AUTHENTICATION CERTIFICATE~~

~~This Bond is one of the 2007B Bonds, of the series designated herein, described in the within-mentioned Indenture.~~

**~~THE BANK OF NEW YORK TRUST
COMPANY, N.A., Trustee~~**

~~By: _____
Authorized Officer~~

~~Authentication Date:~~

~~_____~~

ASSIGNMENT

~~ASSIGNMENT FOR VALUE RECEIVED,~~ the undersigned

(the "Transferor"),
hereby sells, assigns, and transfers unto _____ (Please
print name, address, zip code and Social Security or Federal Employer Identification number of
assignee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and
appoints _____ (the "Transferee") as
attorney to register the transfer of the within Bond on the books kept for registration thereof, with
full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed
by an institution which is a participant in the
Securities Transfer Agent Medallion
Program (STAMP) or similar program.

NOTICE: No transfer will be registered and
no new Bond will be issued in the name of
the Transferee, unless the signature(s) to this
assignment corresponds with the name as it
appears upon the face of the within Bond in
every particular, without alteration or
enlargement or any change whatever and the
Social Security or Federal Employer
Identification Number of the Transferee is
supplied.

The following abbreviations, when used in the inscription on the face of the within Bond,
shall be construed as though they were written out in full according to applicable laws or
regulations:

TEN COM _____ as tenants in _____ UNIF TRANS MIN ACT _____

	common	
		(Cust.)
TEN ENT	as tenants by the	Custodian for
	entireties	
		(Minor)
JTTEN	as joint tenants with	under Uniform Transfers to
	right of survivor	Minors Act of
	ship and not as	
	tenants in common	(State)

Additional abbreviations may also be used though not in list above.

**EXHIBIT B
TO
INDENTURE**

REQUISITION NO. _____ FOR PAYMENT FROM PROJECT FUND

Trust Indenture dated as of February 1, 2007
St. Johns County Industrial Development Authority and
The Bank of New York Trust Company, N.A.
Project Costs

To: ~~The UMB Bank of New York Trust Company~~, N.A., as Trustee under the Trust Indenture dated as of February 1, 2007 (the "Indenture"), with the St. Johns County Industrial Development Authority (the "Issuer").

This requisition is made pursuant to Section 4.02 of the Indenture by St. Johns County Welfare Federation ("Corporation"). Terms used in this requisition shall have the meanings specified for them in or pursuant to the Indenture.

The Trustee is hereby authorized and directed to make payment in the amount of \$_____ from the Project Fund as specified in Schedule A attached hereto. The undersigned Authorized Corporation Representative hereby certifies to you in connection with the amount for which payment is requested by this requisition, as follows:

1. The obligations as set forth on this requisition were incurred for Project Costs. The work for which the payment relates has been accomplished in a manner satisfactory to the Corporation. The amount to be paid does not exceed the obligation on account of which the payment is made.

2. All previous disbursements made pursuant to Section 4.02 of the Indenture have been expended for Project Costs described in prior requisitions submitted by the Authorized Corporation Representative. This requisition contains no items representing payment on account of any retained percentage entitled to be retained by the Corporation at the date hereof.

3. This requisition is for Project Costs that:

(a) have not been the basis of a prior or contemporaneous requisition or of a prior payment of an external loan or of a prior reimbursement of internal advances; and

(b) constitute "Costs of the Project" as defined in the Indenture and the Act;

4. The obligations for which payment is requested do not represent a material change from the plans and specifications which would affect the qualification of the Project as a "project" as defined in the Act, or would affect in any material respects the description of the Project delivered in connection with obtaining an approving opinion of Bond Counsel.

5. To the best knowledge of the Corporation, construction of the Project is proceeding on schedule, and there are no material impediments that would present a threat to completion of construction at the costs for payment of which adequate funds remain in the Project Fund.

6. No notice of any mechanics' or other lien or encumbrance upon the Mortgaged Property by reason of work, labor, services or materials supplied or claimed to be supplied for in connection with the Mortgaged Property has been received by the Corporation or has been filed, or if any notice of any such lien or encumbrance upon the Mortgaged Property has been received by the Corporation or has been filed, such lien or encumbrance has been discharged or dissolved or will be discharged or dissolved concurrently with payment of the requisition, or the Corporation is contesting the same in the manner provided in the Indenture.

7. As to any obligation stated on the requisition incurred in or for payment of the purchase price of any item of machinery or equipment the Corporation has, or upon disbursement pursuant to such requisition will have, title to such property free and clear of any lien or encumbrance other than the lien created by or pursuant to the Mortgage subject to Permitted Encumbrances.

8. Nothing has come to the attention of the Corporation that would cause it to conclude that the representations and warranties contained in Article VI of the Loan Agreement are not true and correct as of the date hereof.

10. No event has occurred and is continuing which constitutes an Event of Default or would, with the passage of time or the giving of notice, or both, constitute an Event of Default under the Indenture or the Loan Agreement.

Dated: _____

**ST. JOHNS COUNTY WELFARE
FEDERATION**

By: _____
Authorized Corporation
Representative

Received and Paid on

_____ **THE BANK OF NEW YORK TRUST**
_____ **COMPANY, N.A.**
_____ as Trustee

Payment Instructions:

EXHIBIT C
TO
INDENTURE

WORKING CAPITAL FUND -
SALE PROCEEDS ACCOUNT REQUISITION
St. Johns County Welfare Federation

To: UMB Bank, N.A., as Trustee under the Trust Indenture dated as of February 1, 2007 (the "Indenture"), with the St. Johns County Industrial Development Authority (the "Issuer").

This requisition is made pursuant to Section 5.03 of the Indenture by St. Johns County Welfare Federation ("Corporation"). Terms used in this requisition shall have the meanings specified for them in or pursuant to the Indenture.

Subject to consent of the requisite Beneficial Owners, the undersigned Authorized Corporation Representative hereby certifies to you in connection with the amount for which payment is requested by this requisition, as follows:

1. This requisition is for the following:

[describe expense in detail]

2. As to any obligation stated on the requisition incurred in or for payment of the purchase price of any item of machinery or equipment the Corporation has, or upon disbursement pursuant to such requisition will have, title to such property free and clear of any lien or encumbrance other than the lien created by or pursuant to the Mortgage subject to Permitted Encumbrances.

3. Nothing has come to the attention of the Corporation that would cause it to conclude that the representations and warranties contained in Article VI of the Amended Loan Agreement are not true and correct as of the date hereof.

4. No event has occurred and is continuing which constitutes an Event of Default or would, with the passage of time or the giving of notice, or both, constitute an Event of Default under the Indenture or the Amended Loan Agreement.

Dated: _____ **ST. JOHNS COUNTY WELFARE**
_____ **FEDERATION**

Authorized Corporation

By: _____
Title: _____

Representative

Date: _____

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF HENNEPIN

FOURTH JUDICIAL DISTRICT
PROBATE/MENTAL HEALTH DIVISION
CASE TYPE: OTHER CIVIL

In the Matter of the Trusteeship Under the
Bond Trust Indenture between the St. Johns
County Industrial Development Authority
and UMB Bank, N.A., as Successor Bond
Trustee

Court File No.: 27-TR-CV-19-_____

**PETITION OF UMB BANK, N.A. AS
SUCCESSOR BOND TRUSTEE FOR AN
ORDER PURSUANT TO MINN. STAT.
§ 501C.0202 IN THE
ADMINISTRATION OF A TRUST**

TO THE DISTRICT COURT FOR THE FOURTH JUDICIAL DISTRICT:

Petitioner herein, UMB Bank, N.A., a national banking association ("UMB"), having a trust office at 120 South Sixth Street, Suite 1400, Minneapolis, MN 55402, not individually but solely in its capacity as successor bond trustee of the above-described trust, by and through its undersigned counsel, respectfully petitions the Court as follows:

I. PRELIMINARY STATEMENT

1. UMB is duly established, existing and authorized to accept and execute trusts, and duly-appointed, qualified and acting bond trustee under that certain Trust Indenture dated as of February 1, 2007 (the "Indenture"), between the St. Johns County Industrial Development Authority, as issuer (the "Issuer"), and UMB, as successor bond trustee (the "Trustee"). A true and correct copy of the Indenture is attached hereto as **Exhibit A**. The trust created by the Indenture is referred to as the "Trust."¹

¹ Capitalized terms shall have the meanings given to them in the Indenture or the Loan Agreement (as defined below) unless otherwise defined herein.

2. This Petition involves Health Care Revenue Refunding Bonds (Bayview Project), Tax Exempt Series 2007A (the “2007A Bonds”).² Proceeds of the Bonds were loaned by the Issuer to the Borrower (as defined below) and used to (i) finance the construction and acquisition of an expansion and interior renovations to the Bayview Project and the Buckingham Smith Assisted Living Facility (“Buckingham Smith” and together with the Bayview Project, the “Facilities”), including a new exterior exercise and nature walkway; (ii) refund certain outstanding bonds; and (iii) provide working capital to the Borrower.

3. As set forth more fully below, the Trustee seeks instructions regarding (1) the Trustee’s consent to the sale of Buckingham Smith and the release of the Mortgage related to Buckingham Smith (as defined below); (2) the use of the proceeds from the sale; and (3) the Trustee’s agreement to enter into an Amended Loan Agreement and an Amended Indenture (each as defined below).

4. The requests of the Trustee herein are supported by the known holders of the 2007A Bonds (the “Participating Holders”), who hold approximately 79.5% of the outstanding principal amount of the Bonds. The Participating Holders have directed the Trustee to bring the present Petition and to seek the instructions identified herein.

II. BACKGROUND

A. Venue.

5. Venue for this Petition is proper in Hennepin County, Minnesota. Minn. Stat. § 501C.0207(a)(2) provides that a petition under Minn. Stat. § 501C.0202 may be filed in the district court for (i) the county where a trustee having custody of part or all of the trust assets

² In addition to the 2007A Bonds, the Issuer also issued Health Care Revenue Refunding Bonds (Bayview Project), Taxable Series 2007B (the “2007B Bonds” and together with the 2007A Bonds, the “Bonds”). The 2007B Bonds were fully redeemed in accordance with scheduled amortization payments and therefore are not the subject of this Petition.

resides or has a trust office or (ii) the county in which the trust is administered. UMB, as Trustee, has a trust office in Minneapolis, Minnesota.

6. The Trustee hereby invokes the Court's jurisdiction as a proceeding *in rem*.

B. The Bonds.

7. As noted above, the Bonds were issued pursuant to the Indenture, and the 2007A Bonds are payable solely from payments made by St. Johns County Welfare Federation (the "Borrower") pursuant to a Loan Agreement dated as of February 1, 2007 (the "Loan Agreement"), and from certain funds established under the Indenture and investment earnings on such funds. A true and correct copy of the Loan Agreement is attached hereto as **Exhibit B**.

8. The Issuer loaned the proceeds from the Bonds to the Borrower pursuant to the Loan Agreement. The Borrower used the Bond proceeds to (i) finance the construction and acquisition of an expansion and interior renovations to the Facilities, including a new exterior exercise and nature walkway; (ii) refund certain outstanding bonds; and (iii) provide working capital to the Borrower.

9. The Bonds are secured by an assignment of certain rights of the Issuer under the Loan Agreement to the Trustee, and by a Note issued under the Loan Agreement. The Note is secured under the Loan Agreement by a mortgage lien on and security interest in the Facilities (the "Mortgage").

10. The Bonds are special, limited obligations of the Issuer and do not constitute a charge against the general credit of the Issuer.

11. As of March 15, 2019, the total amount of unpaid principal due on the 2007A Bonds is \$12,220,000. In addition, the Trustee has incurred fees and expenses, including fees and expenses of its counsel in connection with its administration of the Trust.

C. Failure to Comply with the Covenants of the Borrower.

12. Pursuant to Section 7.02(a) of the Loan Agreement, the Borrower agreed to maintain a Debt Service Coverage Ratio (as defined in the Loan Agreement) of at least 1.25 (the “Rate Covenant”).

13. Pursuant to Section 7.02(c) of the Loan Agreement, the Borrower agreed to maintain at least 30 Days’ Cash on Hand (as defined in the Loan Agreement) (the “Liquidity Covenant”).

14. The Borrower has failed to comply with the Rate Covenant for at least the quarter ending September 30, 2018 and the Rate Covenant and the Liquidity Covenant for at least the quarter ending December 31, 2018. True and correct copies of the Quarterly Financial Statements & Certification for the Heath Care Revenue Refunding Bonds (Bayview Project) for the quarters ending September 30, 2018 and December 31, 2018 are attached as **Exhibits C-D**, respectively.³

15. To date, the Borrower has made all payments required by the Loan Agreement.

D. Sale of Buckingham Smith

16. The Borrower entered into a Real Estate Purchase Agreement (the “Purchase Agreement”) dated as of October 21, 2018 (the “Effective Date”), with Card Holding LLC (the “Buyer”) to sell Buckingham Smith (as described on Exhibit A to the Purchase Agreement and as

³ On May 16, 2016, at the direction of holders of a majority in principal amount outstanding on the Bonds, the Trustee sent a Notice of Default and Demand for Compliance to the Borrower stating that the Borrower’s failure to comply with the Liquidity Covenant constituted a default under Section 7.02(c) of the Loan Agreement and that this default would ripen into an Event of Default if the Borrower failed to cure within 30 days. By letter dated June 13, 2016, the Borrower disputed that it had failed to perform covenants under the Loan Agreement and claimed that even if a covenant failure had occurred, the Borrower was diligently pursuing a cure. On June 29, 2016, counsel for the Trustee responded stating that the Trustee and the Bondholders were hopeful that the Borrower’s actions would bring the Borrower into compliance with the Loan Agreement. True and correct copies of the correspondence between the Borrower and the Trustee are attached as **Exhibits E-1, E-2, and E-3**, respectively.

referred to in the Purchase Agreement as the “Property”).⁴ A true and correct copy of the Purchase Agreement is attached hereto as **Exhibit F**.

17. The total purchase price to be paid to the Borrower for the Property is \$1,200,000 (the “Purchase Price” or the “Sale Proceeds”). (Ex. F ¶ 2.) Under the Purchase Agreement, the Buyer agreed to place \$25,000 as Deposits (as described in the Purchase Agreement) in an escrow account to be used toward the Purchase Price if the Buyer completes the purchase of the Property. (Ex. F ¶ 3.) The Buyer then agreed to pay the balance of the Purchase Price via wire transfer at Closing. (Ex. F ¶ 4.)

18. Under the Purchase Agreement, there was a contingency which permitted the Buyer to apply for a loan within 10 days following the Effective Date of the Purchase Agreement and to use its commercial best efforts to obtain loan approval within 90 days following the Effective Date. On information and belief, this contingency has since been satisfied or was waived by the Buyer. (Ex. F ¶ 5.)

19. The Buyer also had the right under the Purchase Agreement to request a Title Review and/or a Survey of the Property and to raise any questions or issues regarding those documents within the time specified in the Purchase Agreement. (Ex. F ¶¶ 6-7.) On information and belief, the Buyer raised questions at least with respect to the Title Review but all such questions were resolvable.

⁴ Under the First Addendum to the Purchase Agreement, the Buyer and the Borrower agreed that the generators utilized for the provision of emergency power to the Property were not included in the proposed sale and will remain the Borrower’s property following the consummation of the sale.

20. Under the Purchase Agreement, the Buyer had a period of 90 days from the Effective Date to conduct due diligence with respect to the Property (the “Due Diligence Period”). (Ex. F ¶ 8.)

21. As described in Paragraph 9 of the Purchase Agreement, the Borrower’s obligation to proceed to Closing is contingent on the Borrower obtaining (1) the consent by the Trustee to the sale of the Property and release of the Mortgage related to Buckingham Smith at closing on or before the end of the Due Diligence Period, and (2) an appraisal confirming that the purchase price is at least 90% of Buckingham Smith’s fair market value. (Ex. F ¶ 9.)

22. The Purchase Agreement was subsequently amended by a First Amendment to Real Estate Purchase Agreement dated as of January 23, 2019, which (1) extended the Due Diligence Period through March 29, 2019, and (2) extended the deadline for obtaining the Trustee’s consent to the sale of the Property and the release of the Mortgage related to Buckingham Smith until March 29, 2019. A true and correct copy of the First Amendment to Real Estate Purchase Agreement is attached hereto as **Exhibit G**.⁵

23. The Borrower and the Trustee obtained an Appraisal Report from Moody Appraisal Group (the “Appraisal Report”), dated as of the valuation date of October 4, 2018, indicating the opinion that Buckingham Smith has a value of \$1,225,000. A true and correct copy of the Appraisal Report is attached hereto as **Exhibit H**.

24. From the Sale Proceeds of \$1,200,000, the Participating Holders and the Borrower have agreed on the following use of the Sale Proceeds (the “Agreed Upon Use of Sale Proceeds”):

⁵ The Borrower and the Buyer intend to enter into a Second Amendment to Real Estate Purchase Agreement extending the deadline for obtaining the Trustee’s consent to the sale of the Property and the release of the Mortgage related to Buckingham Smith after a hearing has been set in this matter.

Sale Expenses	
Closing Costs	\$95,000 (est.)
Trust Instruction	\$30,000 (est.)
Trustee Fees & Expenses	\$45,000 (est.)
Other Expenses	
Generator Design & Install	\$69,400
Pharmerica (> 90 days)	\$178,000 (est.)
Aegis Therapies (> 60 days)	\$200,000
Ameris Bank Pay Down	\$100,000
Remainder Deposit	
Working Capital Fund	\$482,600 (est.)

25. As referenced in the table above, the Borrower has an outstanding line of credit loan in the amount of \$350,000 with Ameris Bank. The Trustee, the Participating Holders, and the Borrower have agreed that the \$100,000 of the line of credit will be satisfied at the closing of the sale of the Property.

26. Also shown in the table above, approximately \$482,600 of the Sale Proceeds will be used to establish an account controlled by the Trustee (the "Working Capital Fund"). Monies to be held in the Working Capital Fund will be secured for the benefit of Bondholders but will be available for disbursement for Borrower expenses, subject to the Trustee's receipt of written direction authorizing such disbursement from Bondholders representing a majority of the outstanding principal amount of the 2007A Bonds (the "Majority Holders"). Authorization to disburse monies to the Borrower from the Working Capital Fund may be withheld in the sole discretion of the Majority Holders (individually and collectively).

27. The Loan Agreement does not anticipate the sale of Buckingham Smith or the disposition of proceeds from any such sale. For example, the Borrower is not permitted to sell its property except as permitted by the Loan Agreement. (Ex. B § 7.05(a).) The Loan Agreement provides that if an Event of Default has not occurred and is continuing then the Borrower may sell

property that has been replaced or tangible personal property, fixtures, or equipment under certain circumstances. (Ex. B § 7.05(b).) But this provision of the Loan Agreement does not provide for the sale of real property, such as Buckingham Smith. The proceeds from the sale of any of those items permitted to be sold under Section 7.05(b) of the Loan Agreement must generally be used to replace property sold, reinvested in the Facilities, or used to redeem bonds. (Ex. B § 7.05(c).) However, because the Loan Agreement does not contemplate the sale of real property such as Buckingham Smith it provides no instruction as to how the proceeds from such a sale should be applied.

D. Benefits of Proposed Sale.

28. To improve its financial performance, the Borrower has entered into the Purchase Agreement.

29. The Purchase Agreement represents the highest and best offer for Buckingham Smith.

30. The Purchase Agreement and the Agreed Upon Use of Sale Proceeds have multiple benefits, including (i) permitting the Borrower to comply with a State-mandated upgrade to its emergency electricity generators; (ii) allowing the Borrower to reduce critical care accounts payable; and (iii) allowing the Borrower to establish the Working Capital Fund to serve as a “reserve” or “working capital account.”

E. Amended Loan Agreement and Amended Indenture.

31. In anticipation of the sale of Buckingham Smith, the Trustee, at the direction of the Participating Holders, and the Borrower, with the joinder and consent of the Issuer, have individually and collectively determined that it is in their individual and collective best interests to amend and restate the Loan Agreement. The Trustee therefore intends to enter into an Amended and Restated Loan Agreement, Mortgage and Security Agreement between UMB Bank, N.A. as

Successor Trustee Under that Certain Trust Indenture Dated as of February 1, 2007 and St. Johns County Welfare Federation and Amended Indenture (the “Amended Loan Agreement”). A true and correct copy of a redline showing changes from the Loan Agreement to the Amended Loan Agreement is attached as **Exhibit I**.

32. Section 9.08 of the Loan Agreement governs any amendments to the Loan Agreement, and provides that amendments that do not adversely affect the rights of or the security of the Bondholders are permitted (i) to cure any ambiguity, defect or omission herein or in any amendment hereto or to supplement any provision; or (ii) to reflect a change in applicable law. (Ex. B § 9.08.) Other amendments must be approved by the Trustee and, if the Indenture must also be amended with Bondholders’ consent, then approval of 51% of the Bondholders is needed for the amendment. (Ex. A § 12.02.) Certain amendments, including reducing the priority of the lien of the Indenture or the Loan Agreement upon property pledged or modifying the provisions related to amendments, require consent of all Bondholders. (Ex. A § 12.02.)

33. The Amended Loan Agreement includes the following changes:

- a) Eliminates extraneous or duplicative language that is no longer applicable (*see e.g.*, Ex. I §§ 4.04, 8.01(h));
- b) Defines “Beneficial Owner” and authorizes the Trustee to recognize the Beneficial Owners of Bonds for purposes of approvals, consents or other actions taken under the Amended Loan Agreement if beneficial ownership is proven to the satisfaction of the Trustee (Ex. I at p. 4);
- c) Modifies the definition of “Facilities” to remove reference to Buckingham Smith and removes Buckingham Smith as a “Mortgaged Property” (Ex. I at pp. 10, 16);
- d) Adds a “Working Capital Fund” which is to be an account held at UMB and maintained for the purposes of and in accordance with the Amended Loan Agreement and the Indenture and in which the Trustee has a security interest (Ex. I at p. 22, § 4.03, § 7.19; § 8.02(e));

- e) Provides for additional rights for the Majority of Bondholders, including the right to withhold consent in their sole and absolute discretion (i) to issue Additional Bonds (Ex. I §§ 3.01(b), 3.03); (ii) for the Borrower to employ consultants (Ex. I § 6.08); (iii) to direct the Trustee to withhold consent related to the removal, sale, or other disposition of certain property and to disapprove of the use of the net proceeds of any such sale (Ex. I § 7.05(b)-(c)); (iv) to increase, extend, or renew Short Term Indebtedness (Ex. I § 7.07(b)); (v) to secure Long-Term Indebtedness (Ex. I § 7.08); (vi) to utilize money in the Working Capital Fund (Ex. I § 7.19); and (vii) to direct the Trustee to rescind an acceleration of all sums and obligations owing by the Borrower under the Amended Loan Agreement (Ex. I § 8.02(f));
- f) Adds an Accounts Payable Covenant (Ex. I § 7.02(e));
- g) Adds additional Material Events requiring notice (Ex. I § 7.16(d)); and
- h) States that an Event of Default occurs if the Borrower fails to perform certain covenants and conditions under the Amended Loan Agreement or the Indenture and such failure continues for 30 days after notice has been provided to the Borrower (Ex. I § 8.01(c)).

34. The Participating Holders, representing 79.5% of the outstanding principal amount of the 2007A Bonds, approve of the proposed amendments to the Loan Agreement. (Ex. A § 12.02.) Because the Amended Loan Agreement contemplates the completion of the sale (and release of the mortgage on) Buckingham Smith, the Amended Loan Agreement arguably “reduc[es] the priority of the lien of [the] Indenture or the Loan Agreement upon property pledged.” It is therefore at least uncertain whether all Bondholders must consent to at least some of the proposed amendments to the Loan Agreement or whether a Court order is necessary.

35. Also in anticipation of the sale of Buckingham Smith, the Trustee, at the direction of the Participating Holders, and the Issuer have individually and collectively determined that it is in their individual and collective best interests to amend and restate the Indenture. The Trustee therefore intends to enter into an Amended and Restated Indenture between St. Johns County Industrial Development Authority and UMB Bank, N.A. as Successor Trustee (the “Amended

Indenture”). A true and correct copy of a redline showing changes from the Indenture to the Amended Indenture is attached as **Exhibit J**.

36. As described above, amendments to the Indenture generally require approval of 51% of the Bondholders, with certain amendments requiring consent of all the Bondholders. (Ex. A § 12.02.)

37. The Amended Indenture includes the following changes:

- a) Eliminates extraneous or duplicative language that is no longer applicable or updates language to account for current situation (*see e.g.*, Ex. J p. 4 definition of “2007 Bonds Expense Account”; p. 25 definition of “Trustee”; § 5.04(e); § 14.04, § 14.09);
- b) Defines “Beneficial Owner” and authorizes the Trustee to recognize the Beneficial Owners of Bonds for purposes of approvals, consents or other actions taken under the Amended Indenture if beneficial ownership is proven to the satisfaction of the Trustee (Ex. J at p. 6);
- c) Modifies the definition of “Buckingham Smith,” “Facilities,” and “Mortgaged Property” to indicate that Buckingham is no longer owned or operated by the Corporation, part of the Facilities, or part of the Mortgaged Property (Ex. J at pp. 6, 12, 19-20);
- d) Adds a “Working Capital Fund – Sale Proceeds Account” which is to be an account held at UMB and maintained for the purposes of and in accordance with the Amended Loan Agreement and the Indenture and specifies how interest, income, and gains in that account shall be retained (Ex. J at p. 25; §§ 5.03, 6.02);
- e) Specifies that promptly following payment in full of the principal of the Bonds, they will be deemed cancelled upon payment (Ex. J § 2.02);
- f) Provides for additional rights for the Beneficial Owners owning a majority of the Outstanding 2007A Bonds (often instead of permitting 25% of Bondholders to make such decisions), including the right to withhold consent in their sole and absolute discretion (i) to issue Additional Bonds (Ex. J § 3.02); (ii) to direct that the money in the Working Capital Fund – Sale Proceeds Account are to be used to redeem a portion of the Outstanding 2007A Bonds (Ex. J § 5.03); (iii) to specify when they may require the Trustee to give notice to the Corporation or declare the principal of all Bonds then Outstanding to be immediately due and payable (or annul such declaration) (Ex. J §§ 9.01(G), 9.02); (iv) to instruct the Trustee to protect

and enforce its rights and the rights of the Beneficial Owners or to have rights to pursue remedies if the Trustee does not do so (Ex. J §§ 9.04, 9.07, 10.07); and (v) to impact the removal of the trustee or the appointment of a successor trustee (Ex. J §§ 10.12, 10.13, 10.14);

- g) Specifies that the Trustee is the successor trustee for the 2007 Bonds and therefore makes no representation as to the actual use of the proceeds from the sale of the 2007 Bonds (Ex. J §§ 3.03 n.1; 3.04 n.2);
- h) Updates the Trustee's covenants regarding continuing disclosure, specifically identifying that the Trustee will provide information to EMMA (Ex. J § 8.12);
- i) Removes the provision related to a standby trustee (Ex. J § 10.17);
- j) Modifies the sections relating to amendments and supplements of the Indenture by specifying the limitations in the Amended Loan Agreement related to the issuance of Additional Bonds and by permitting amendments with approval of a majority of Beneficial Owners (instead of 51% of the Registered Owners) (Ex. J §§ 12.01, 12.02); and
- k) Modifies Exhibit A to the Indenture to be a specimen of 2007B Bond and adds Exhibit C to the Amended Indenture which provides for a sale proceeds requisition for the Borrower (Ex. J).

38. The Participating Holders, representing 79.5% of the Bondholders, approve of the proposed amendments to the Indenture. (Ex. A § 12.02.) Since, among other things, the proposed amendments to the Indenture include modifications to the Indenture sections relating to amendments and supplements of the Indenture, consent of all the Bondholders or a court order is likely needed under the terms of the Indenture for at least some of the proposed amendments to the Indenture.

F. Bondholder Communications.

39. The Bonds, like almost all widely held securities issued in the United States, were sold as registered securities held in the name of the Depository Trust Company ("DTC"). DTC acts as a clearinghouse for securities held for virtually every bank and brokerage house in the United States. The various banks and brokerage houses are "proxy participants" at DTC. When

payments are made on the Bonds, the funds are paid to DTC, which allocates the funds among its participants who act as custodians for the actual investors in those bonds, who are generally referred to as “beneficial holders.” In the trustee’s records for such bonds, DTC is the registered holder. On the records of DTC, only its proxy participants are listed. Thus, for a trustee to identify the actual beneficial holders, either each proxy participant must be willing and able to provide information to the trustee as to the accounts for which it acts as custodian or the trustee must request that the beneficial holders identify themselves to the trustee. This process is done electronically over the DTC notification system and the EMMA Service and does not ensure that beneficial holders will be identified, as it is common for proxy participants and beneficial holders to be nonresponsive.

40. The Trustee has consulted with the Participating Holders, who support the sale of Buckingham Smith and the release of the Mortgage related to Buckingham Smith, have endorsed the Agreed Upon Use of Sale Proceeds, and approve of the Amended Loan Agreement and Amended Indenture. As stated above, the Participating Holders represent approximately 79.5% of the outstanding Bondholders. The Participating Holders have directed the Trustee to bring the present Petition and to seek Court approval regarding the proposed actions. No Bondholders have stated an opposition to the relief sought in the Petition.

41. The Trustee has periodically issued notices to Bondholders, which have been posted to the EMMA Service. These separate notices have included information concerning, among other things: (i) appointment of UMB as successor Trustee, (ii) the payment of certain funds in connection with payroll and other extraordinary expenses of the Borrower and fees and expenses of the Trustee and its counsel; and (iii) the May 16, 2016 Demand Letter delivered to the

Borrower. The Trustee intends to issue one or more notices to Bondholders concerning this Petition.

III. REQUEST FOR INSTRUCTIONS

42. Minn. Stat. § 501C.0204 authorizes this Court to make an order it considers appropriate upon hearing a petition filed under § 501C.0202. Such an order is final as to all matters determined by the Court and binding *in rem* upon the Trust and upon the interests of all beneficiaries, vested or contingent, even though unascertained or not in being.

43. The Trustee believes an order under Minn. Stat. § 501C.0204 is appropriate given that neither the Indenture nor the Loan Agreement anticipates the sale of Buckingham Smith or the disposition of the proceeds of any such sale. Given the Borrower's failure to comply with covenants under the Loan Agreement, the Trustee believes that the proposed sale of the Buckingham Smith facility pursuant to the terms of the Purchase Agreement is in the best interest of the Bondholders. It is also likely under the Loan Agreement and the Indenture that all Bondholders may be needed to consent to at least some of the proposed Amended Loan Agreement and Amended Indenture or that a Court order is necessary.

44. The Trustee believes there is no alternative course of action or other available remedy that would result in greater value to Bondholders from the sale of the Buckingham Smith facility and that the terms and conditions of the Purchase Agreement represent the highest and best price for the Buckingham Smith facility. The Trustee also believes that the Agreed Upon Use of Sale Proceeds provide for the best use of the Sale Proceeds, including but not limited to the creation of a Working Capital Fund that will serve as a "reserve" or "working capital account" for the remaining Facilities. The Trustee finally believes that it is in the best interest of the Trustee and the Bondholders to amend and restate the Loan Agreement and the Indenture.

WHEREFORE, pursuant to Minn. Stat. § 501C.0202, the Trustee prays that this Court make and enter its order designating the time and place at which parties in interest may be heard upon the matters set forth in this Petition, specifying the form and manner of service of notice of the hearing, and at such designated time and place the Court undertakes to represent all parties in interest who are unascertained or whose identity is unknown to the Trustee pursuant to Minn. Stat. § 501C.0305, and that at such designated time and place this Court make its further order:

- (i) Directing and authorizing the Trustee to consent to the sale of the Buckingham Smith facility to the Buyer for \$1,200,000 as being in the best interest of Bondholders, and confirming that such course of conduct by the Trustee is prudent, or, in the alternative, to the extent that the Purchase Agreement is not consummated, authorizing the Trustee to consent to the sale of Buckingham Smith as long as the sale price is equal to or greater than \$1,200,000, the terms of any such purchase agreement are equivalent to those terms in the Purchase Agreement (the "Equivalent Purchase Agreement"), the amount placed in the Working Capital Fund as a result of the Equivalent Purchase Agreement is at least \$450,000, the Equivalent Purchase Agreement is entered into within 120 days of the date of this Court's order, the closing with respect to the Equivalent Purchase Agreement occurs within 90 days of the date of the Equivalent Purchase Agreement, and any consent by the Trustee to the Equivalent Purchase Agreement be approved, directed, and consented to by at least the Participating Holders.
- (ii) Directing and authorizing the Trustee to discharge, release and otherwise cancel its right, title, claims, liens and interests in and to the Buckingham Smith facility that is part of the Trust Estate or is otherwise pledged as collateral for the Bonds,

consistent with the terms of the Purchase Agreement (or any Equivalent Purchase Agreement), and confirming that said actions by the Trustee are in the best interest of Bondholders, and that the Trustee's actions comply with all applicable duties of the Trustee, and shall not subject UMB Bank, N.A., individually or as Trustee, to liability;

- (iii) Directing and authorizing the Trustee to take such other actions as are consistent with and reasonably necessary to effectuate the transactions contemplated by the Purchase Agreement or the Equivalent Purchase Agreement;
- (iv) Directing and authorizing the Trustee to comply with the Agreed Upon Use of Sale Proceeds as being in the best interest of Bondholders, and that such course of conduct by the Trustee is prudent, and directing and authorizing the Trustee to apply and distribute such moneys as provided for herein and therein, including without limitation first to the fees and expenses of the Trustee and expenses necessary to effect the transaction;
- (v) Directing and authorizing the Trustee to enter into the Amended Loan Agreement and the Amended Indenture;
- (vi) Declaring that the Trustee's past actions (or omissions made) in the administration of the Trust are consistent with the terms of the Indenture and the Trustee's duties and obligations thereunder to all Bondholders and declaring that the Trustee's proposed actions (or omissions) in the administration of the Trust, including the approval of the transaction contemplated by the Purchase Agreement or the Equivalent Purchase Agreement, the release of the Mortgage related to Buckingham Smith, the compliance with the Agreed Upon Use of Sale Proceeds,

and the agreement to enter into the Amended Loan Agreement and the Amended Indenture are consistent with the Trustee's duties and obligations and in the best interest of all Bondholders;

- (vii) Determining that the Order shall be binding on the Issuer, the Borrower, the Trustee, and all other parties involved in the administration of the Indenture and the Loan Agreement, and all Persons claiming a beneficial or ownership interest in the bonds, including, without limitation, all past, present, and future Bondholders and their successors and assigns, as well as any parties-in-interest, if any;
- (viii) Directing that the Trust and UMB shall not be subject to the continuing supervision of the Court for purposes of Minn. Stat. § 501C.0205 or General Rule of Practice 417.02; and
- (ix) Granting such other relief as the Court determines lawful, just and proper.

RESPECTFULLY SUBMITTED, this 29th day of March 2019.

FAEGRE BAKER DANIELS LLP

/s/ Julie R. Landy
Michael F. Doty (#0388303)
Julie R. Landy (#0391256)
2200 Wells Fargo Center
90 S. Seventh Street
Minneapolis, Minnesota 55402
(612) 766-6000

*Attorneys for Petitioner UMB Bank, N.A.,
solely in its capacity as Successor Trustee*

ACKNOWLEDGEMENT REQUIRED BY
MINN. STAT. § 549.211, SUBD. 1

The undersigned hereby acknowledges that pursuant to Minn. Stat. § 549.211, Subd. 3, sanctions may be imposed if, after notice and a reasonable opportunity to respond, the Court determines that the undersigned has violated the provisions of Minn. Stat. § 549.211, Subd. 2.

Dated: March 29, 2019

FAEGRE BAKER DANIELS LLP

/s/ Julie R. Landy

Michael F. Doty (#0388303)

Julie R. Landy (#0391256)

2200 Wells Fargo Center

90 S. Seventh Street

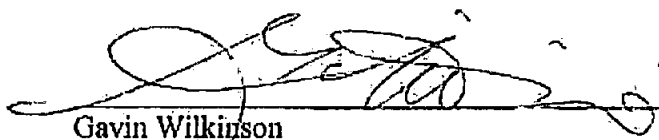
Minneapolis, Minnesota 55402

(612) 766-6000

*Attorneys for Petitioner UMB Bank, N.A.,
solely in its capacity as Successor Trustee*

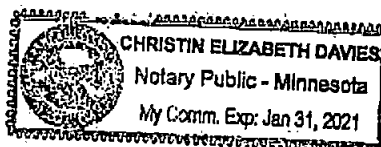
VERIFICATION

I, Gavin Wilkinson, am a Senior Vice President for UMB Bank, N.A., and I have reviewed the foregoing Verified Petition and exhibits thereto, and state, under the penalty of perjury, that (a) I believe the factual statements to the Verified Petition to be true and correct based on the information that is currently available to me, and (b) Exhibits A - J attached hereto are true and correct copies of documents maintained by UMB Bank, N.A. in the ordinary course of business.


Gavin Wilkinson

Subscribed and sworn to before me this
29th day of MARCH 2019.


Notary Public



Peter L. Dame

Akerman LLP
50 North Laura Street
Suite 3100
Jacksonville, FL 32202-3646

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[DRAFT]

St. Johns County Industrial Development
Authority
St. Augustine, Florida

UMB Bank, N.A., as successor trustee
Minneapolis, Minnesota

Re: St. Johns County Industrial Development Authority \$ 14,335,000 Health Care Revenue
Refunding Bonds, Tax Exempt Series 2007A (Bayview Project); 2019 Amendments

We have acted as special tax counsel in connection with the amendment of the documents related to the above-referenced bonds (the "Bonds"). The Bonds were issued by the St. Johns County Industrial Development Authority (the "Issuer") pursuant to a Trust Indenture dated as of February 1, 2007, now between the Issuer and UMB Bank, N.A., as successor trustee (the "Trustee"), which Trust Indenture provided for the loan of the proceeds of the Bonds to St. Johns County Welfare Federation (the "Corporations") pursuant to a Loan Agreement, dated as of February 1, 2007, between the Issuer and the Corporation (the "Loan Agreement"). In connection with the issuance of the Bonds, the Issuer received the opinion of the law firm of Livermore, Freeman & McWilliams as to the tax-exempt status of interest on the Bonds. As special tax counsel, we have examined such documents, instruments and proceedings of the Issuer, as we have considered necessary to render the opinions set forth below, including, but not limited to, the following:

- (i) Amended and Restated Trust Indenture, dated as of [May 1, 2019], between the Issuer and the Trustee.

- (ii) Amended and Restated Loan Agreement, dated as of [May 1, 2019], between the Issuer and the Corporation and assigned to the Trustee (the documents listed in (i) and (ii), the "Amendment Documents");
- (iii) a resolution adopted by the Issuer on _____, 2019 authorizing the execution and delivery by the Issuer of the documents referred to above; and
- (iv) the Supplemental Tax Matters Certificate dated the date hereof (the "Supplemental Tax Matters Certificate") containing certain certifications as to expectations and facts, representations and covenants with respect to establishing and maintaining the excludability of interest on the Bonds from gross income of the owners thereof for federal income tax purposes.

We have also examined and relied upon the original certified conformed or photographic copies of such other documents, records, agreements, and certificates, as we have considered necessary or appropriate to enable me to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to me as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate.

Based on the foregoing, we are of the opinion as of the date hereof, under existing law, that the execution and delivery of the Amendment Documents will not, in and of itself, adversely affect the exclusion of interest on the Bonds from federal income taxation.

The scope of our engagement in relation to the Amendment Documents has been limited solely to the examination of facts and law incident to rendering the opinion expressed herein. Other than the opinion expressed herein we express no other opinion concerning the Bonds.

We have not reviewed or examined any records, statements or other documents relating to compliance with the covenants contained in the various agreements executed at the time of the issuance of the Bonds relating to the operation of the Project financed by the Bonds designed to achieve compliance with certain requirements of the Code and we do not, by the rendering of the opinion set forth herein, pass upon such compliance and for purposes of rendering this opinion have assumed such compliance.

We express no opinion with respect to any other document or agreement in connection with the Bonds, other than or expressed herein. We do not express any opinion concerning any law other than the laws of the State of Florida and the federal law of the United States. Our opinions expressed herein are predicated upon present laws and interpretations thereof. We assume no affirmative obligation with respect to any change of circumstances or law that may adversely affect after the date hereof the exclusion from gross income for federal income tax purposes of interest on the Amended Series 2010 Note.

Sincerely,

AKERMAN LLP



May 30, 2019

VIA ELECTRONIC MAIL

St. Johns County Industrial Development Authority
Henry F. Green, III, Chair (Henry@whocpa.com)

Re: St. Johns County Industrial Development Authority Health Care Revenue
Refunding Bonds, Tax Exempt Series 2007A and Taxable Series 2007B
(Bayview Project) ("*Bonds*")

Dear Chair Green:

UMB Bank, National Association ("*UMB Bank*"), serves as successor trustee for the Bonds issued under that certain *Trust Indenture*, dated as of February 1, 2007 (the "*Original Indenture*"), and successor assignee of the *Loan Agreement, Mortgage and Security Agreement*, dated as of February 1, 2007 (the "*Original Loan Agreement*"). In such capacity, UMB Bank is charged with acting in the interests of the trust estate for and owners of the Bonds. The purpose of this letter is twofold. First, this letter summarizes the Trust Instruction Proceeding ("*TIP*") currently pending before the State of Minnesota Fourth Judicial District, Probate/Mental Health Division ("*Probate Court*") regarding the Bonds and A&R Financing Documents. Second, UMB Bank, in its capacity as trustee for the Bonds, lends its support and the support of the owners of approximately 79.5% of the outstanding principal amount of the Bonds (the "*Directing Holders*") to the sale of the closed Buckingham Smith facility and to the related amendments to the Original Indenture and the Original Loan Agreement. The proposed *Amended and Restated Trust Indenture* and *Amended and Restated Trust Indenture* are attached collectively hereto as **Exhibit A** (the "*A&R Financing Documents*")

To date, St. Johns County Welfare Federation (the "*Borrower*") has made all required payments under the Original Indenture and Original Loan Agreement. However, certain covenant defaults have occurred under the Original Indenture and Original Loan Agreement necessitating regular communication by and among the Trustee, Directing Holders and Borrower regarding the financial condition of the Borrower and underlying project. In addition, the Trustee routinely publishes related notices¹ for disclosure to the municipal market.

To improve the Borrower's financial condition, it has proposed to the Trustee and the Directing Holders that the Borrower sell the closed Buckingham Smith facility for \$1,200,000. However, the Original Indenture and Original Loan Agreement do not address the sale of collateral or the use of sale proceeds under the present circumstances. Therefore, the Trustee, Directing Holders and Borrower have agreed to amend the Original Loan Agreement and Original Indenture – *on a go-forward basis* – to address the omissions, while also removing references to Buckingham Smith interwoven throughout. Proceeds from the sale, net of standard closing costs, would be applied to fund, *inter alia*, the design, purchase and installation of a state-mandated generator for the remaining

¹ Those notices are delivered to all registered holders and published on Bloomberg and the EMMA Website maintained by the Municipal Securities Rulemaking Board (MSRB).

facility and establish a working capital account, controlled by the Trustee at the direction of Directing Holders, to fund expenses of the Trustee and Borrower. The Trustee and the Directing Holders have carefully considered the Borrower's request and have concluded that it is reasonable and in the best interests of the Borrower and the Bondholders generally.

The Buckingham Smith facility constitutes part of the security for the Bonds. The Directing Holders, representing 79.5% of the outstanding Bonds, have provided the Trustee written consent and approval of the sale of Buckingham Smith and the A&R Financing Documents. They have further directed the trustee to file the petition for trust instruction attached hereto as **Exhibit B** to allow non-directing owners of the Bonds an opportunity to object to the proposed actions and amendments, and, assuming no objections, to obtain Probate Court approval of same.

UMB Bank has an office in Minneapolis, Minnesota, and that is where the trust estate relating to the Bonds is administered. Minnesota Statutes, Section 501C.0201 *et seq.* provides for the filing of a judicial proceeding involving a trust if the trustee or any interested party seeks guidance in relation to the administration of the trust. The proper venue for such a petition is the District where the trustee administering the trust is located. In this case, that venue is Minneapolis, Minnesota.

UMB Bank routinely seeks similar instructions from the Probate Court. We seek such instructions where there is a question regarding the proper course of our trust administration, or to ensure that any remedial action taken by the trustee has been presented to all holders of the underlying bonds, and that all such holders have the opportunity to be heard by the Probate Court. In the last several years, UMB Bank has sought and received instruction from the Probate Court regarding bonds issued in many states and territories of the United States, including Florida.

A hearing in the TIP is presently scheduled for July 17, 2019, and we are prepared to move forward with the hearing as scheduled. We have received no objections from any party. However, in order to move forward with the TIP hearing, it is necessary for the Authority to approve the A&R Financing Documents. Therefore, UMB Bank, as trustee and on behalf of Directing Holders, respectfully requests the Authority approve the A&R Financing Documents, *subject to* the Trustee receiving an order of the Probate Court in the TIP. UMB Bank's counsel and I are prepared to respond to any questions the Authority may have regarding the proposed amendments or the TIP.

Very truly yours,

UMB Bank, National Association,
as Trustee

/s/

Gavin Wilkinson

612-337-7001

gavin.wilkinson@umb.com

cc: Melissa S. Glasgow (mglasgow@sjcfl.us)
Brian Crumbaker, Esq.
Dr. Larry Lake

BAYVIEW HEALTHCARE BOARD OF DIRECTORS

AND SENIOR PROFESSIONAL MANAGEMENT

Part of our Strategic Improvement Planning has been to attract Board members who will provide integral alignment with Flagler Hospital, First Coast Health Alliance, First City Hospitalist Group, and now Flagler Health+. This strategic alignment is essential under the Centers for Medicare and Medicaid Service's changing payment models and patient care initiatives.

Our organization is grateful for the wise and stable leadership of its Board of Directors and senior professional management leadership over many years. Our Board members have more than one hundred forty years cumulatively with the organization and senior management has more than 100 years of experience cumulatively in the healthcare industry. Newer Board members also provide new perspectives on how healthcare is evolving. The following is a brief description of our leadership's background and experience:

- *Mr. Mark F. Bailey, Sr.:* Mr. Bailey is President of the Board of Directors and has been a Board member since 1986. He is the President/owner of The Bailey Group, an insurance agency since 1996 to present. As President of The Bailey Group, Mr. Bailey has built upon the foundation of a trusted local insurance agency and developed the company into a nationally competitive firm. Mr. Bailey was voted the "Best of St. Augustine" Local Insurance Agent in the St. Augustine Record for multiple years, and has been a member of the Million Dollar Round Table for the past 26 years, included in the top 1% of agents nationwide. He earned a BA in Economics/Business from Vanderbilt University. He is a member of the following organizations: Board member and past Chairman of the Flagler Healthcare Foundation; Board member of the St. Augustine Foundation; St. Augustine YMCA, past Chairman; YMCA of Florida's First Coast Metro Board, current member; Capital Campaign Chairman for Northeast Florida Community Hospice; Board Chairman for Prosperity Bank Board of Directors; Member and past President of the St. Augustine Rotary Club; Past Board President of St. Johns County American Cancer Society; Past Board Member of United Way of St. Johns County; and, Past President of the St. Augustine Life Underwriters. He has received the following awards and honors: 26 Year Member of the Million Dollar Round Table; 1999-2010 Million Dollar Round Table Top of

the Table; Chartered Life Underwriter Designation; Sertoma Club Service to Mankind Award and the Salvation Army Gus Craig Award.

- *Mr. Joseph L. Boles, Jr., Esquire:* Mr. Boles is Vice-President of the Board of Directors and has been a Board member since 1996. Mr. Boles served as Mayor of the City of St. Augustine, having been elected in 2006, previously elected as a City Commissioner, Seat 3, in 2004. A native of North Carolina, he attended the University of Florida after graduating from St. Augustine High School in 1970. He initially obtained a Bachelor of Design and Advertising Design from the University of Florida, and also obtained his law degree from the University of Florida College of Law. He was admitted to practice in the fall of 1984 and his areas of interest are elder law, asset protection, estates and trusts, business law and family law. He is a member of the following organizations: President and Chairman of the St. Johns County Council on Aging; Board member of the Buckingham Smith Benevolent Association; Past President and board member of the St. Augustine Rotary Club. He is a member of the Memorial Presbyterian Church and has served as a Deacon and Trustee. He served as past President and Board member of the St. Augustine Art Association; past Secretary of the CHILD Cancer Fund Board; past member of the Flagler Hospital Board and the Flagler Hospital Foundation Board. He was one of the founding board members and past Chairman of the St. Augustine Lighthouse and Museum, Inc. He was a founding board member for the First Tee of St. Johns County and a member of the American Cancer Society Board for St. Johns County. Mr. Boles was the Chairman of the City of Augustine Planning and Zoning Board during the development of the City's Comprehensive Land Use Plan.
- *Dr. William T. Abare, Jr.:* Dr. Abare is the Secretary/Treasure of the Board of Directors and has been a Board member since 1993. He is in his 44th year at Flagler College and his 14th year as President. Prior to assuming his position as the institution's chief executive officer, Dr. Abare served as the Executive Vice President and Dean of Academic Affairs for 12 years. Dr. Abare earned his bachelor's degree from Mercer University in Macon, Georgia, his master's degree from the University of North Florida in Jacksonville, and his doctorate from Nova Southeastern University in Fort Lauderdale. Dr. Abare is a member of the Council of Presidents of the Independent Colleges and Universities of Florida. He holds the office of Vice Chairman, serves on the Executive Committee, and is Chairman of the Legislative Committee for ICUF. He is a member of the Florida Association of Colleges and Universities and served as president of FACU in 2007-08. Dr. Abare has been active in professional organizations, councils, and boards related to admissions, financial aid, student services, and academic affairs,

and he has been involved in state policy matters related to accountability, assessment, articulation, funding of higher education, and student financial aid. He is a former member of the Board of Trustees of the Commission on Colleges of the Southern Association of Colleges and Schools, the regional accrediting body for the degree-granting institutions of higher education in the Southern states. In February of 2004, Dr. Abare was recognized by the Alumni Association of the University of North Florida as the recipient of the 2003 Distinguished Alumni Achievement Award.

- *Mr. Jerod Meeks:* Mr. Meeks is a past President of the Board of Directors and has been a Board member since 1973. Mr. Meeks is the owner and President of Arnett Heating and Air Conditioning. He received an MBA from the University of Georgia in 1971. Mr. Meeks is a member and volunteer of the following organizations: member and past President of the St. Augustine Rotary Club; member of the St. Johns County Chamber of Commerce and Charter Member of the "Committee of 100", an arm of the Chamber dedicated to business and industrial recruitment; member of the Bank of St. Augustine Board of Directors; and the Salvation Army (former Director). He is a past member of the United Way of St. Johns County, Inc.; past President off the Board of Trustees of Flagler Hospital; past-President of St. Augustine Y.M.C.A.; and, past member of the St. Augustine Jaycees.
- *Mr. Otis A. Mason:* Mr. Mason has been a Board member since 2004. He is a retired St. Johns County School Superintendent. He completed his undergraduate studies at Florida A & M in Tallahassee, Florida and graduate studies at New York University. After serving the military during the Korean War, he became a teacher then Principal in St Johns County. He was then appointed to Supervisor of Elementary Schools and was elected Superintendent of Schools for two terms. He retired from public education in 1992. Mr. Mason's latest endeavor is the development of the Excelsior Museum and Culture Center where he serves as President of the Friends of Excelsior, Inc. Mr. Mason is a volunteer and member of the following committees: St. Johns Welfare Federation Board of Directors since 2004; State of Florida Elections Commission; Buckingham Smith Benevolent Association; Kiwanis Club; and, past President of the Fort Moses Historical Society.
- *Mr. Joseph Gordy:* Mr. Gordy has lived in NE Florida since 1979 and was President/CEO of Flagler Hospital from 2003 through 2017. He joined our Board of Directors in 2016. Mr. Gordy has a BA from Boston University and an MHA Degree from the School of Medicine and Public Health at the

George Washington University, Washington, DC. He is a Fellow of the American College of Healthcare Executives. He has been at Flagler Hospital in St. Augustine since 1981 and has seen the hospital grow from a 130 bed facility with limited capability to a 335 bed facility with a full complement of services including neurosurgery and a busy open heart surgery program. Mr. Gordy has been active in education and economic development activities. He was elected twice to the St. Johns County School Board where he served as Chairman in 1998. He was also a member of the Dean's Council for the College of Health at the University of North Florida. Joe has been President of the St. Johns County Chamber of Commerce, Chairman of the Committee of 100, and a member of the St. Johns County Economic Development Committee. He currently serves on the boards of Community Hospice of NE Florida, and the St. Johns County Chamber of Commerce.

- *Dr. Todd Batenhorst:* Dr. Batenhorst is Vice President for Primary Care and Ambulatory Care for Flagler Hospital and Flagler Health+. He joined our Board of Directors in 2016 and served at the Medical Director at the Samantha Wilson Care Center until October 2018. He previously practiced as a primary care physician at Flagler Family Medicine in St. Augustine, Florida, where he served as Vice President, with special emphasis on their Patient Centered Medical Home and Information Technology initiatives. He has been a practicing physician since 2001. Dr. Batenhorst graduated from the University of Nebraska Medical Center and completed a Family medicine residency with the Medical College of Virginia. Dr. Batenhorst has served the medical community at Flagler Hospital through several cycles on the Medical Executive Committee, most recently as Vice President. Dr. Batenhorst currently is a member of the Flagler Hospital Board of Trustees and Big Brothers Big Sisters of Saint Johns County Advisory Board. He also has been selected to sit on the Gator Bowl Sports committee. In 2014 Dr. Batenhorst was elected to the Board of First Coast Health Alliance, an Accountable Care Organization, and was selected as the organization's President.
- *Mr. Jason Barrett:* Mr. Barrett is President and CEO of Flagler Hospital and Flagler Health+. He joined our Board of Directors in 2017. Mr. Barrett previously served as Executive Vice President of Clinical Integration and Strategy for Flagler Hospital. Prior to his current role, Mr. Barrett served as Chief Operating Officer of Flagler Hospital where he directed all aspects of the hospital's day-to-day operations. He has been with Flagler Hospital since he joined the organization as Vice President of Operations in 2003. He holds a Master of Science in Systems and Engineering Management from Texas University and both a Master of Business Administration and Bachelor of Health Science, Health Administration from the University of North

Florida. Mr. Barrett also is active in the community, having served as Chairman of the St. Johns County Economic Development Council, a board member of the St. Johns County Education Foundation, a member in Take Stock in children Program, a board Member of the St. Johns County Planning and Zoning Agency and is currently an active member of the First Coast Health Care Executive Group, and the American College of Health Care Executives.

- *Dr. John Prioleau:* Dr. Prioleau joined our Board of Directors on July 25, 2017. He is the Medical Director of First City Hospitalist Group. An experienced hospitalist, he is also Board Certified in Internal medicine. Dr. Prioleau earned his medical degree from Boston University School of Medicine and completed his residency training at Vanderbilt University medical Center. His research and writings have been published in numerous publications including the New England Journal of Medicine. First City Hospitalists Group was established in 2008 by Dr. Prioleau to meet the growing need for hospitalist services in Northeast Florida. Flagler Hospital's mission to provide the best patient experience with the best staff resonated with First City CEO John Prioleau and the two organizations developed a partnership to utilize hospitalist services and help inpatients further achieve optimum health and return to their daily lives as quickly as possible. Currently, First City Hospitalists Group works solely with Flagler Hospital and its patients.
- *Ms. Nangela Pulsfus, BSN, RC-C:* Ms. Pulsfus serves as Executive Vice President of Patient Care Services and Chief Clinical Officer for Flagler Health+. In this role, Ms. Pulsfus oversees all aspects of clinical services, ensuring the highest level of care to area residents both inside and outside the hospital's walls. Ms. Pulsfus has served in progressively responsible roles at Flagler Hospital since joining the organization in 2002, including several directorships and most recently Vice President of Clinical Services. Prior to joining Flagler Health+, she served in progressively responsible roles at St. Johns County Welfare Federation, including Director of Nursing and Director of Operations where she had oversight of a 120 bed skilled nursing facility and assisted living facilities, including management of human resources, admissions, risk management, rehabilitative services, nursing, housekeeping, and maintenance services. She is very active in our community, having served as a board member on the Healthy Start Coalition of Northeast Florida, a member of both the Northeast Florida and St. Johns County Infant Mortality Task Forces, a committee member of the Five Learning Years, Early Learning Coalition, and a member of Family Planning Committee, St Johns Health Department. She also currently serves on the Board of Directors for the Players Championship Boys & Girls Club of

Northeast Florida and BayView Healthcare.

- *Dr. Larry Lake, Executive Director and Chief Executive Officer:* Dr. Lake has served as the CEO for our organization since 1993. During his time as CEO, he has overseen the development of a multilevel, post-acute continuum of care that includes full rehab services, residential skilled nursing and long term care services, standard licensed assisted living services, limited nursing licensed assisted living services, Medicare-certified home health services, and outpatient physical, occupational and language pathology rehabilitation services. Revenues have grown from \$2.9 million to approximately \$18 million. The workforce of the organization has grown from ninety to approximately three hundred employees. Charitable and uncompensated care provided by the St. Johns Welfare Federation has grown from \$600,000 to approximately \$5,000,000 annually. The organization has completed two healthcare revenue tax-exempt bond issues through the St. Johns County Industrial Development Authority (1997 and 2007). Dr. Lake holds a PhD from the University of Edinburgh, where he studied as a Rotary International Graduate Scholar and as an Overseas Research Scholar of the Committee of Vice Chancellors and Principals of the United Kingdom. He graduated *magna cum laude* from Florida Southern College at the age of twenty and holds Masters degrees from Emory University and the Duke University School of Law. Dr. Lake also has earned a second doctorate in Family Systems Theory and Therapy and in 2010 received an Honorary Doctor of Laws from Flagler College. He is a Florida Licensed Mental Health Counselor, Licensed Marriage and Family Therapist, and Licensed Nursing Home Administrator. Dr. Lake is a Clinical Fellow in the American Association for Marriage and Family Therapy. He has served on numerous boards and governing bodies, including: Superior Providers Insurance Company (Chairman), Flagler Hospital (Chairman), St. Johns County Council on Aging, Epic Community Services, Learn to Read of St. Johns County, "CHIP" the Community Health Improvement Partnership (Chairman), Community Leadership Council, Executive Committee of Economic Development Council, and St. Johns Volunteers! (Chairman).
- *Mr. James Norman, Chief Financial Officer and Vice-President of Finance:* Mr. Norman has been the CFO and Vice-President of Financial Services since 2013. Mr. Norman is a licensed CPA-(non-practicing) from Ohio and has a bachelor's degree in accounting and health care administration from Bowling Green State University. He has over 35 years of experience in the long term care industry with companies such as Horizon Health Care, Vencor, and Covenant Care Corporation. Mr. Norman has successfully defended certificate of need applications for skilled nursing facilities and has been qualified as an expert witness by the State of Florida in the subject of

Medicaid reimbursement. He was the original controller for Tandem Health Care (now Consulate Health Care) and expanded the financial department from 6 skilled nursing facilities in Florida to over 25 facilities in Florida, Virginia and Pennsylvania. In 2011, Mr. Norman completed the Core Competency exam to operate an assisted living facility and is currently in the process of obtaining a SNF administrator's license. He is a member of the Coastal Rotary of St. Johns County and chairman of the finance council at Our Lady of Good Counsel Catholic Church.

- *Ms. Shelly Nutter, RN, Chief Clinical Officer and Vice President of Clinical and Residential Services:* Ms. Nutter came to the organization as the Director of Nursing at the BayView Healthcare at the Samantha Wilson Care Center in November 2015. She was promoted to the CCO and Vice-President of Clinical and Residential Services in March 2017. She currently manages and oversees all clinical services for the entire continuum of care system at BayView including the Samantha Wilson Care Center, Pavilion Assisted Living, Buckingham Smith Assisted Living and BayView Home Health. Ms. Nutter has more than ten years of long term care experience with proven strengths in leadership, risk management, staff development and education, patient and family advocacy. She graduated from Galen College of Nursing in 2006 serving as the class valedictorian. Ms. Nutter has received certifications in Risk Management, Alzheimer Educator, and Gerontology, Train the Trainer, AHA BLS Instructor, LPN Supervisor Course Instructor, FHCA and MDS Certification.
- *Ms. Catherine Taylor, Vice-President of Charitable, Volunteer and Human Resources:* Ms. Taylor began her employment with the St. Johns Welfare Federation in August 1993, serving as Community Services Assistant before her appointment as Program Director. Her main responsibility was the development and maintenance of the BayView Charitable Emergency Assistance Program. Ms. Taylor monitored and allocated funds that were used for providing assistance on an emergency basis to residents of St. Johns County in need of support. She also is the liason with the St. Augustine Lions Club and works with low income residents in need of eyeglass exams or cataract surgery. In her role as a community advocate, Ms. Taylor has participated in the Church World Services CROP Walk; United Way "Day of Caring"; Habitat for Humanity; Homeless Coalition; National Postal Worker's Food Drive; and other food drives. Catherine also has found opportunity to donate her time to local charitable events such as the Lions Club Seafood Festival and Rotary Rhythm and Ribs Festival serving as a

volunteer. She was awarded the 2006 Catholic Charity Good Samaritan Award and the 2006-2007 Lions Club International Melvin Jones Fellow for humanitarian services. In 2015, Catherine was promoted as Vice-President of Charitable, Volunteer and Human Resources. She is responsible for managing the Human Resource Department and the charitable and volunteer programs of the organization. Ms. Taylor came to the St. Johns Welfare Federation after leaving a 16-year career at Hampshire College in Amherst, Massachusetts.

- *Mr. Daniel Gray, Senior Operations and Strategic Planning Consultant:* Mr. Gray is President of Continuum Development Services Inc., and he began his consulting practice in 1988 to provide senior services organizations with operational auditing, direct management services, and development of community-based services. In 2002, Mr. Gray established Continuum Development Services (CDS) and has since worked with more than 100 providers across the country. Prior to beginning his own consulting firm, Mr. Gray and his management team developed a continuum of services integrated with a 600-resident retirement community in the Chattanooga, Tennessee area, which includes PACE, Live at Home, dementia assisted living, tax-credit financing affordable housing and a Senior Neighbors program (education, care management and social services). Mr. Gray is a past Board member of three of the largest provider associations serving seniors: LeadingAge, National PACE Association and the Catholic Health Association. Mr. Gray also services on the Board of Directors of the Caldsted Foundation, an organization that provides housing with services to residents with limited resources in the Chattanooga area. He is a frequent speaker at industry conventions and forums such as LeadingAge, Ziegler, and National PACE Association conferences. Mr. Gray holds a Master of Science in Long-Term Care Administration from the University of North Texas and a Master's level Certificate in Gerontology from the University of Southern California. Mr. Gray is a Tennessee licensed Nursing Home Administrator and has held licenses in Florida, Missouri, Wisconsin and Minnesota. Contact information: (423)517-0567; Dan.gray@consulting-cds.com